



N E V A D A

AGENDA
Regular Meeting
City Council

Wednesday, February 16, 2022 • 5:00 PM

Mayor
Roy Edgington

City Council
Ward 1 - Raymond Lacy
Ward 2 - Felicity Zoberski
Ward 3 - Stan Lau
Ward 4 - Albert Torres
Ward 5 - Fran McKay

City Manager
Daphne Hooper

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/81952835070>, or one tap_mobile: 1 253 215 8782, Dial: 346 248 7799, Webinar ID: 819 5283 5070

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 found at <https://www.cityoffernley.org/forms>, 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. Roll Call

1.2. Public Forum

1.3. (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 from January 19th and February 2nd.

2.3. (Possible Action) Approval of Business Licenses

2.4. (Possible Action) Approve a contract for the Owner's Representative/Construction Manager as Agent Services for the Fernley Community Response & Resource Center in the amount not-to-exceed \$602,232 to Cumming Management Group Inc.

2.5. (Possible Action) Award a Contract for Construction for the FY 21/22 PMP Maintenance Project (Project) to: Sierra Nevada Construction, Inc. (SNC), in an amount not to exceed \$1,184,007.

2.6. (For Possible Action) Authorize the execution of the Water Right Banking and Dedication Agreement with Genica Shadow Hills, LLC, APN 021-121-19, TCID serial number 1017-B in the amount of 20.115 acre feet.

2.7. (For Possible Action) Authorize the execution of the Water Right Banking and Dedication Agreement with Russel Ferretto, APN 021-111-02, TCID serial number 1022 in the amount of 6.03 acre feet.

3. REPORTS

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 by Lyon County Sheriff Frank Hunewill regarding Year End Review

5.2. Presentation and discussion regarding the City's quarterly financials.

6. STAFF REPORTS

6.1. (For possible Action) Adopt the Business Impact Statement regarding commercial rates & fees for the Water and Sewer Utilities.

6.2. (For possible action) Discussion to approve the City of Fernley's maximum allowed operating property tax rate to be levied for Fiscal Year 2023 and for submission to the Department of Taxation.

6.3. (For possible action) Discussion regarding the long-term use goals and plans for the Fernley Depot.

6.4. (For possible action) Approve the contract with Farr West Engineering to provide engineering and architectural design services and oversee construction for the Depot Re-Roofing project for an amount not to exceed \$62,170.

6.5. (For possible action) Discussion and possible termination of the March 16, 2020, Declaration of Emergency Concerning COVID-19 pursuant to Resolution 20-006.

6.6. (Possible Action) Approve staff to enter into negotiations and allow staff to enter into a contract with CORE construction for pre-construction services for the Community Response and Resource Center.

6.7. (For possible action) Update on City of Fernley COVID-19 response including City Hall reopening, funding for state and local governments, local business re-opening plans, and local events.

7. ITEMS REQUESTED BY MAYOR OR CITY COUNCIL MEMBERS:

7.1. Discussion and possible action requesting a future agenda item regarding the Master Plan and Land Uses. (Councilwoman Zoberski's request)

7.2. Discussion and possible action requesting a future agenda item regarding the city taking over the motorcycle track. (Mayor Edgington's request)

8. ADDRESS REQUEST(S) FOR FUTURE AGENDA ITEMS

9. PUBLIC FORUM

10. ADJOURNMENT

Next Meeting: March 2, 2022 @ 5 PM

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
A & A MOBILE LOCK & KEY, LLC								
2050	A & A MOBILE LOCK & KEY, LLC	10937	Well 13 - Replace Chem Room Door Handle / Lock	01/28/2022	260.00	02/03/2022	510-810-430 Repairs & Maintenance	122
Total 2050:					260.00			
ADA COUNTY								
8877	ADA COUNTY	1/4/2022	R BRANDT CR-MD-2015-16857, RECORD REQUEST	01/04/2022	5.00	02/03/2022	100-414-322 Prof Serv-Other	122
Total 8877:					5.00			
AECOM TECHNICAL SERVICES, INC.								
8633	AECOM TECHNICAL SERVICES, INC.	2000572135	Surface water conveyance project construction management	12/14/2021	40,329.29		510-166100 Construction In Progress	1221
8633	AECOM TECHNICAL SERVICES, INC.	2000583552	Surface water conveyance project construction management	01/19/2022	18,348.00		510-166100 Construction In Progress	122
Total 8633:					58,677.29			
AFLAC								
5690	AFLAC	JAN 2022	SUPPLEMENTAL INSURANCE	01/25/2022	353.60	02/03/2022	100-217400 AFLAC Insurance Payable	122
Total 5690:					353.60			
AIT ADVANCED INTERPRETING & TRANSLATION								
8498	AIT ADVANCED INTERPRETING & TRANSLATION	202112B-fmc	Juan Perez 21TR01412	12/23/2021	280.00	02/03/2022	100-425-330 PROF SERV-INTERPRETER	1221
8498	AIT ADVANCED INTERPRETING & TRANSLATION	202201-FMC	Rodriguez-Gutierrez 21TR02503	01/24/2022	140.00	02/03/2022	100-425-330 PROF SERV-INTERPRETER	122
Total 8498:					420.00			
ALHAMBRA								
4688	ALHAMBRA	7661929 012022	Shop - Bottled Water Service	01/20/2022	168.32	02/03/2022	510-810-614 Supplies-Plant/Shop/Maint	122
Total 4688:					168.32			
AMERICAN DOCUMENT DESTRUCTION, INC.								
8567	AMERICAN DOCUMENT DESTRUCTION, INC.	129915	Document Destruction Services	12/22/2021	16.50	02/03/2022	100-425-322 Prof Serv-Other	1221
Total 8567:					16.50			

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
ARAMARK								
1895	ARAMARK	259000073991	Rags and rugs	01/13/2022	107.59	02/03/2022	510-840-420 Contract Services	122
1895	ARAMARK	259000074023	mats	01/13/2022	159.60	02/03/2022	100-417-420 Contract Services	122
1895	ARAMARK	259000074032	mat and towel service	01/13/2022	66.32	02/03/2022	520-810-614 Supplies-Plant/Shop/Maint	122
1895	ARAMARK	259000080776	Rugs and Rags	01/27/2022	107.59		510-840-420 Contract Services	122
1895	ARAMARK	259000080826	mats	01/27/2022	159.60	02/03/2022	100-417-420 Contract Services	122
1895	ARAMARK	259000080838	mat service	01/27/2022	66.32		520-810-614 Supplies-Plant/Shop/Maint	122
1895	ARAMARK	598000086232	Shop - WD Pants Service	01/10/2022	46.52	02/03/2022	510-810-614 Supplies-Plant/Shop/Maint	122
1895	ARAMARK	598000087698	Shop - WD Pants Service	01/17/2022	46.52	02/03/2022	510-810-614 Supplies-Plant/Shop/Maint	122
1895	ARAMARK	598000087701	shirt contract	01/17/2022	57.15	02/03/2022	100-480-600 GENERAL SUPPLIES/TOOLS	122
1895	ARAMARK	598000087704	uniforms	01/17/2022	43.32	02/03/2022	100-475-616 Supplies-Safety	122
1895	ARAMARK	598000089329	Shop - WD Pants Service	01/24/2022	46.52	02/03/2022	510-810-614 Supplies-Plant/Shop/Maint	122
1895	ARAMARK	598000089330	shirt contract	01/24/2022	58.50	02/03/2022	100-480-600 GENERAL SUPPLIES/TOOLS	122
1895	ARAMARK	598000089331	uniforms	01/24/2022	43.32	02/03/2022	100-475-616 Supplies-Safety	122
1895	ARAMARK	598000090809	Shop - WD Pants Service	01/31/2022	46.52		510-810-614 Supplies-Plant/Shop/Maint	122
1895	ARAMARK	598000090810	shirt contract	01/31/2022	57.15		100-480-600 GENERAL SUPPLIES/TOOLS	122
1895	ARAMARK	598000090811	uniforms	01/31/2022	38.16	02/03/2022	100-475-616 Supplies-Safety	122
1895	ARAMARK	598000092003	shirt contract	02/07/2022	57.15		100-480-600 GENERAL SUPPLIES/TOOLS	222
1895	ARAMARK	598000092004	uniforms	02/07/2022	38.16		100-475-616 Supplies-Safety	222
Total 1895:					1,246.01			
AT&T								
13	AT&T	28574 FEB 22	131 252-7192 857 4	02/02/2022	160.00		100-417-530 Communications (Internet,Cell)	222
13	AT&T	53740 FEB 22	775 575-5455 374 0	01/26/2022	352.90		100-417-530 Communications (Internet,Cell)	122
13	AT&T	74368 FEB 22	775 575-7187 436 8	01/26/2022	754.23		100-417-530 Communications (Internet,Cell)	122
13	AT&T	81650 FEB 22	775 835-8598 165 0	01/26/2022	2,556.89		100-417-530 Communications (Internet,Cell)	122
13	AT&T	85367 FEB 22	775 575-9058 536 7	01/26/2022	754.23		100-417-530 Communications (Internet,Cell)	122
13	AT&T	96145 FEB 22	131 252-8129 614 5	02/02/2022	230.00		100-417-530 Communications (Internet,Cell)	222
13	AT&T	98670 JAN	775-786-2229 867 0	01/20/2022	1,802.77	02/03/2022	100-417-530 Communications (Internet,Cell)	122
Total 13:					6,611.02			
AT&T MOBILITY								
7653	AT&T MOBILITY	287252183474X01212022	775-835-3275 JAN22	01/13/2022	43.28	02/03/2022	100-417-530 Communications (Internet,Cell)	122
Total 7653:					43.28			
ATKINS NORTH AMERICA, INC								
8853	ATKINS NORTH AMERICA, INC	1964682	Cottonwood Lane reconstruction right of way services	01/19/2022	1,061.48		100-475-745 RTC REIMBURSABLE EXPENDI	122
Total 8853:					1,061.48			

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
AUTO & TRUCK ELECTRIC, INC								
8868	AUTO & TRUCK ELECTRIC, INC	40420	batteries for fleet	01/13/2022	343.00	02/03/2022	100-480-610 AUTOMOTIVE SUPPLIES	122
8868	AUTO & TRUCK ELECTRIC, INC	40490	fleet parts	01/21/2022	215.30		100-480-610 AUTOMOTIVE SUPPLIES	122
Total 8868:					558.30			
B & L BACKFLOW TESTING SPECIALISTS								
1419	B & L BACKFLOW TESTING SPECIALISTS	25935-D3	Distribution Course	01/31/2022	350.00	02/03/2022	510-810-580 Training	122
1419	B & L BACKFLOW TESTING SPECIALISTS	25936-D3	Water Distribution Course; JH, LH	01/28/2022	700.00		510-810-580 Training	122
Total 1419:					1,050.00			
BIG R OF FERNLEY								
20	BIG R OF FERNLEY	13694/5	wheel Barrow	01/13/2022	89.99	02/03/2022	100-475-600 General Supplies	122
20	BIG R OF FERNLEY	13697/5	dremel engrave	01/13/2022	29.38	02/03/2022	100-475-615 Supplies-Signs and Striping	122
20	BIG R OF FERNLEY	13725/5	different types of spray paint	01/20/2022	66.99	02/03/2022	100-417-430 Service-Building Repair/Maint	122
20	BIG R OF FERNLEY	13727/5	mystic hunter green go jo hand cleaner.	01/20/2022	65.76	02/03/2022	100-475-600 General Supplies	122
20	BIG R OF FERNLEY	13729/5	surge protector	01/20/2022	19.95	02/03/2022	100-417-601 OFFICE SUPPLIES	122
20	BIG R OF FERNLEY	13757/5	paint and hooks.	01/25/2022	53.91	02/03/2022	100-417-614 Supplies-Plant/Shop/Maint	122
20	BIG R OF FERNLEY	13764/5	misc plumbing for sweeper	01/27/2022	91.61	02/03/2022	100-475-610 Automotive Supplies	122
20	BIG R OF FERNLEY	13765/5	spray tips misc.	01/27/2022	11.65	02/03/2022	100-475-612 Supplies-Building Maintenance	122
20	BIG R OF FERNLEY	13770/5	flat bar for parks	01/28/2022	3.96		100-575-600 General Supplies	122
20	BIG R OF FERNLEY	13771/5	magnet fasteners	01/28/2022	21.55	02/03/2022	100-575-600 General Supplies	122
20	BIG R OF FERNLEY	13781/5	paint supplies for facilities	01/31/2022	28.24		100-417-610 Automotive Supplies	122
20	BIG R OF FERNLEY	13804/5	propane	02/02/2022	11.96		100-575-623 Propane	222
20	BIG R OF FERNLEY	13829/5	gopher trap	02/07/2022	26.34		100-575-600 General Supplies	222
20	BIG R OF FERNLEY	13832/5	tee jet test plug	02/07/2022	51.54		100-475-600 General Supplies	222
20	BIG R OF FERNLEY	13833/5	test plug	02/07/2022	12.76		100-475-612 Supplies-Building Maintenance	222
Total 20:					585.59			
BOB'S PRINTING AND SIGNAGE								
6970	BOB'S PRINTING AND SIGNAGE	10622-1	ENGRAVED SIGNS; CHECK IN	01/18/2022	105.00	02/03/2022	100-417-600 General Supplies	122
6970	BOB'S PRINTING AND SIGNAGE	10722-4	Setting Notices	01/27/2022	561.40	02/03/2022	100-425-550 Printing and Postage	122
6970	BOB'S PRINTING AND SIGNAGE	10722-5	envelopes	01/20/2022	208.25	02/03/2022	100-425-550 Printing and Postage	122
6970	BOB'S PRINTING AND SIGNAGE	10722-6	Business Cards	01/18/2022	54.50	02/03/2022	100-425-550 Printing and Postage	122
6970	BOB'S PRINTING AND SIGNAGE	10722-7	NAME PLATES	01/18/2022	51.60	02/03/2022	100-425-550 Printing and Postage	122
6970	BOB'S PRINTING AND SIGNAGE	121621-2	Municipal Court Signs for lobby	01/06/2022	220.00	02/03/2022	100-417-550 Printing and Postage	122
6970	BOB'S PRINTING AND SIGNAGE	12822-2	Printing Senior CAC	02/08/2022	110.00		100-413-550 Printing and Postage	222
Total 6970:					1,310.75			
BRADY INDUSTRIES OF NEVADA LLC								
8837	BRADY INDUSTRIES OF NEVADA LLC	7181241	cleaning supplies	01/28/2022	163.69	02/03/2022	100-417-612 Building Maintenance Supplies	122

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
Total 8837:					163.69			
BRUCE PURVES CONSTRUCTION INC								
8850	BRUCE PURVES CONSTRUCTION INC	190299	fmc reconstruction of front office	01/12/2022	6,344.95	02/03/2022	210-425-730 Improve other than Buildings	122
Total 8850:					6,344.95			
CASHMAN EQUIPMENT COMPANY								
1647	CASHMAN EQUIPMENT COMPANY	INWO1452677	Well 4, Backup Generator - Block Heater Repair	01/15/2022	1,443.70	02/03/2022	510-810-430 Repairs & Maintenance	122
Total 1647:					1,443.70			
CDW GOVERNMENT INC.								
27	CDW GOVERNMENT INC.	R038814	Computer Battery Back-up	01/19/2022	109.92	02/03/2022	520-810-601 Office Supplies	122
27	CDW GOVERNMENT INC.	R043086	DCM Office Supplies	01/19/2022	24.18		100-413-600 General Supplies	122
Total 27:					134.10			
CEMEX CONSTRUCTION MATERIALS PACIFIC								
154	CEMEX CONSTRUCTION MATERIALS PACIFIC	9445440034	Drain Rock for Fire Hydrants	01/21/2022	302.10	02/03/2022	510-810-430 Repairs & Maintenance	122
Total 154:					302.10			
CFA INC								
499	CFA INC	24400	Green Valley park design services	12/31/2021	5,000.00		230-575-730 Improve other than Buildings	1221
Total 499:					5,000.00			
CHAMPION CHEVROLET								
405	CHAMPION CHEVROLET	772185	shifter for 4008	02/07/2022	95.66		100-575-610 Automotive Supplies	222
Total 405:					95.66			
CHARTER COMMUNICATIONS								
4479	CHARTER COMMUNICATIONS	304798012822	8354 10 007 0304798	01/28/2022	124.98		100-417-530 Communications (Internet,Cell)	122
Total 4479:					124.98			
CHASE PAYMENTECH MERCHANT SERVICES								
8637	CHASE PAYMENTECH MERCHANT SERVICES	JAN 2022	Water-CC Processing Fees 6181757	01/31/2022	2,971.08	01/31/2022	510-810-609 Credit Card Fees	122
8637	CHASE PAYMENTECH MERCHANT SERVICES	JAN 2022	Sewer-CC Processing Fees 6181757	01/31/2022	2,971.09	01/31/2022	520-810-609 Credit Card Fees	122
8637	CHASE PAYMENTECH MERCHANT SERVICES	JAN 2022	Finance-Cc Processing Fees 6291057	01/31/2022	407.80	01/31/2022	100-415-609 Credit Card Fees - Govt Svcs	122
8637	CHASE PAYMENTECH MERCHANT SERVICES	JAN 2022	finance-cc processing fees 6291058	01/31/2022	32.92	01/31/2022	100-415-609 Credit Card Fees - Govt Svcs	122

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title		GL Period
Total 8637:					6,382.89				
CLARKE MOSQUITO CONTROL PRODUCT									
1936	CLARKE MOSQUITO CONTROL PRODUCT	5098919	Briquets	01/27/2022	3,675.40	02/03/2022	100-528-617	Supplies-Chemical	122
Total 1936:					3,675.40				
COLONIAL INSURANCE									
3520	COLONIAL INSURANCE	FEB 2022	E3103934 SUPPLEMENTAL INSURANC	02/01/2022	192.68	02/03/2022	100-218000	COLONIAL INSURANCE PAYABL	222
Total 3520:					192.68				
DUDE SOLUTIONS, INC.									
8672	DUDE SOLUTIONS, INC.	INV-105016	Training - Bldg	02/04/2022	1,265.00		100-605-580	Training	222
Total 8672:					1,265.00				
EMPLOYEES, CITY OF FERNLEY									
8639	EMPLOYEES, CITY OF FERNLEY	291	REIMB TREATMENT 2 CERT TEST	01/21/2022	120.00	01/27/2022	510-840-580	Training	122
8639	EMPLOYEES, CITY OF FERNLEY	44562	REIMB MOVING EXPENSES FOR DCM	01/31/2022	3,514.30	02/03/2022	100-413-315	Prof Serv-Personnel	122
8639	EMPLOYEES, CITY OF FERNLEY	59454	REIMB POSTAGE TO NV ST HIST PRES OFFICE	02/03/2022	15.75		100-413-550	Printing and Postage	222
8639	EMPLOYEES, CITY OF FERNLEY	SC4724304	REIMB GRADE 3 EXAM	02/07/2022	69.00		510-810-642	Permits and Licenses	222
Total 8639:					3,719.05				
ETERNAL IMAGE SIGN AND DESIGN									
263	ETERNAL IMAGE SIGN AND DESIGN	1162022	front door stickers	01/16/2022	85.00	02/03/2022	210-425-322	Prof Serv-Other	122
Total 263:					85.00				
FARR WEST ENGINEERING									
6275	FARR WEST ENGINEERING	16851	On call GIS services	01/07/2022	385.60		100-417-320	PROF SEV-ENGINEERING	122
6275	FARR WEST ENGINEERING	16851	On call GIS services	01/07/2022	385.60		100-475-320	Prof Serv-Engineering	122
6275	FARR WEST ENGINEERING	16851	On call GIS services	01/07/2022	385.60		100-575-320	Prof Serv-Engineering	122
6275	FARR WEST ENGINEERING	16851	On call GIS services	01/07/2022	385.60		510-810-320	Prof Serv-Engineering	122
6275	FARR WEST ENGINEERING	16851	On call GIS services	01/07/2022	385.60		520-810-320	Prof Serv-Engineering	122
Total 6275:					1,928.00				
FASTENAL COMPANY									
4860	FASTENAL COMPANY	NVFER43961	bolts for parks	02/02/2022	8.10		100-575-610	Automotive Supplies	222

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
Total 4860:					8.10			
FLYERS ENERGY, LLC								
18	FLYERS ENERGY, LLC	CFS-2896301	GASOLINE - FLEET	01/31/2022	193.82		100-480-626 GASOLINE	122
18	FLYERS ENERGY, LLC	CFS-2896301	GASOLINE - ANIMAL CONTROL	01/31/2022	233.56		100-525-626 Gasoline	122
18	FLYERS ENERGY, LLC	CFS-2896301	GASOLINE - CDD BUILDING	01/31/2022	202.85		100-605-626 Gasoline	122
18	FLYERS ENERGY, LLC	CFS-2896301	GASOLINE - FACILITIES	01/31/2022	290.58		100-417-626 Gasoline	122
18	FLYERS ENERGY, LLC	CFS-2896301	GASOLINE - COUNCIL	01/31/2022	49.99		100-412-626 Gasoline	122
18	FLYERS ENERGY, LLC	CFS-2896301	GASOLINE - PARKS	01/31/2022	348.44		100-575-626 Gasoline	122
18	FLYERS ENERGY, LLC	CFS-2896301	GASOLINE - VECTOR	01/31/2022	9.34		100-528-626 Gasoline	122
18	FLYERS ENERGY, LLC	CFS-2896301	GASOLINE - WATER DIST	01/31/2022	1,026.82		510-810-626 Gasoline	122
18	FLYERS ENERGY, LLC	CFS-2896301	GASOLINE - SEWER	01/31/2022	1,155.00		520-810-626 Gasoline	122
18	FLYERS ENERGY, LLC	CFS-2896301	GASOLINE - STREETS	01/31/2022	608.55		100-475-626 Gasoline	122
Total 18:					4,118.95			
FLYNN GIUDICI GOVERNMENT AFFAIRS LLC								
8869	FLYNN GIUDICI GOVERNMENT AFFAIRS LLC	1053	Lobbyist Contract	02/03/2022	5,800.00		100-413-322 Prof Serv-Other	222
Total 8869:					5,800.00			
GOPHER CONSTRUCTION INC								
202	GOPHER CONSTRUCTION INC	25853	Drain Rock	01/20/2022	47.50	02/03/2022	520-810-614 Supplies-Plant/Shop/Maint	122
Total 202:					47.50			
GRANITE CONSTRUCTION CO								
64	GRANITE CONSTRUCTION CO	2169361	cold mix	01/24/2022	878.85	02/03/2022	100-475-600 General Supplies	122
Total 64:					878.85			
HACH COMPANY								
406	HACH COMPANY	12822721	Parts for turbidimeter upgrade	01/05/2022	1,746.89	02/03/2022	510-166100 Construction In Progress	122
Total 406:					1,746.89			
HANNEMAN SERVICE								
70	HANNEMAN SERVICE	110773	Service Labor	01/28/2022	145.00		100-605-322 Prof Serv-Other	122
70	HANNEMAN SERVICE	110774	Service Labor	01/28/2022	145.00		100-605-322 Prof Serv-Other	122
70	HANNEMAN SERVICE	12184	1993 Honda Civic - Blue NO PLTS	01/28/2022	55.00		100-605-322 Prof Serv-Other	122
70	HANNEMAN SERVICE	12185	2002 Ford Escape - Silver NV553M7J	01/28/2022	55.00		100-605-322 Prof Serv-Other	122

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
Total 70:					400.00			
HARRIS INDUSTRIAL GASES								
8630	HARRIS INDUSTRIAL GASES	8838-0001865969	welding supplies for fleet	01/31/2022	171.82		100-480-610 AUTOMOTIVE SUPPLIES	122
8630	HARRIS INDUSTRIAL GASES	8838-1865255	ACETYLENE	01/19/2022	66.20	02/03/2022	100-480-600 GENERAL SUPPLIES/TOOLS	122
Total 8630:					238.02			
HDS WHITE CAP CONST SUPPLY								
7065	HDS WHITE CAP CONST SUPPLY	50017826661	concrete patch and forming material	01/26/2022	789.18	02/03/2022	100-475-600 General Supplies	122
Total 7065:					789.18			
HISKETT & SONS, LLC								
8487	HISKETT & SONS, LLC	111329	concrete OTP	01/14/2022	2,568.10		100-575-600 General Supplies	122
8487	HISKETT & SONS, LLC	111495	concrete for Dennis way and Margaret. Head-wall's	01/28/2022	369.50		100-475-600 General Supplies	122
Total 8487:					2,937.60			
HOMETOWN HEALTH								
4842	HOMETOWN HEALTH	24901-008	3721P GROUP HEALTH INSURANCE	02/01/2022	71,729.35		100-217000 HEALTH INSURANCE PAYABLE	222
Total 4842:					71,729.35			
IBEW Local 1245								
83	IBEW Local 1245	JAN 2022-2	UNION DUES, ONE HALF OF MONTH	01/28/2022	880.66	01/28/2022	100-219900 OTHER PAYROLL PAYABLES	122
Total 83:					880.66			
INTERNAL REVENUE SERVICE								
7879	INTERNAL REVENUE SERVICE	JAN 2022-2	FICA TAX PAYABLE, PAYROLL	01/28/2022	278.38	01/28/2022	100-211000 FICA PAYABLE	122
7879	INTERNAL REVENUE SERVICE	JAN 2022-2	MED TAX PAYABLE, PAYROLL	01/28/2022	4,921.68	01/28/2022	100-211000 FICA PAYABLE	122
7879	INTERNAL REVENUE SERVICE	JAN 2022-2	W/HOLD TAX PAYABLE, PAYROLL	01/28/2022	17,339.16	01/28/2022	100-212000 FEDERAL WITHHOLDING PAYAB	122
Total 7879:					22,539.22			
INTERNATIONAL CODE COUNCIL								
617	INTERNATIONAL CODE COUNCIL	1001441160	ASCE 7-16 Design standard	02/02/2022	246.00	02/03/2022	100-605-640 Books and Periodicals	222
Total 617:					246.00			
INTERSTATE BATTERIES OF THE SIERRAS								
86	INTERSTATE BATTERIES OF THE SIERRAS	40088790	batteries for W/D vac-con	01/27/2022	442.85		510-810-610 Automotive Supplies	122

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
Total 86:					442.85			
INTERSTATE OIL COMPANY								
4329	INTERSTATE OIL COMPANY	0773006-IN	OIL FOR FLEET	01/19/2022	152.03	02/03/2022	100-480-610 AUTOMOTIVE SUPPLIES	122
Total 4329:					152.03			
JENSEN PRECAST								
3031	JENSEN PRECAST	cd99138144	concrete pipe Dennis and Margaret.	01/24/2022	5,450.00	02/03/2022	100-475-600 General Supplies	122
Total 3031:					5,450.00			
JOHNSON CONTROLS FIRE PROTECTION LP								
8667	JOHNSON CONTROLS FIRE PROTECTION LP	88435401	fire service	01/13/2022	513.00	02/03/2022	100-417-420 Contract Services	122
8667	JOHNSON CONTROLS FIRE PROTECTION LP	88459770	change over to Johnson controls monitoring	01/24/2022	636.87	02/03/2022	100-417-420 Contract Services	122
Total 8667:					1,149.87			
KIMLEY-HORN AND ASSOCIATES, INC.								
8715	KIMLEY-HORN AND ASSOCIATES, INC.	20447014	Access Management standards engineering services	12/31/2021	9,717.50		100-475-320 Prof Serv-Engineering	1221
Total 8715:					9,717.50			
KOLVET, BRENT								
8611	KOLVET, BRENT	JAN 2022	JUDGE PRO TEM 1/24, 1/27, 1/31	01/31/2022	792.00	02/03/2022	100-425-335 PROF SERV-SENIOR JUDGE	122
Total 8611:					792.00			
LAWSON PRODUCTS, INC								
2435	LAWSON PRODUCTS, INC	9309176338	fittings for parks tractor	01/13/2022	162.53	02/03/2022	100-575-430 Service-Repair and Maintenance	122
Total 2435:					162.53			
LOWES CREDIT SERVICES								
7650	LOWES CREDIT SERVICES	002763	FIRST AID AND MISC	02/07/2022	52.67		100-475-616 Supplies-Safety	222
7650	LOWES CREDIT SERVICES	02046	misc cleaning	01/27/2022	181.50	02/03/2022	100-475-612 Supplies-Building Maintenance	122
7650	LOWES CREDIT SERVICES	02904	waste basket and shovel	01/19/2022	91.04	02/03/2022	100-575-600 General Supplies	122
7650	LOWES CREDIT SERVICES	1786	green marking paint and misc.	01/31/2022	137.45	02/03/2022	100-475-600 General Supplies	122
7650	LOWES CREDIT SERVICES	18862	cleaning	01/25/2022	62.76	02/03/2022	100-475-614 Supplies-Plant/Shop/Maint	122
7650	LOWES CREDIT SERVICES	1954	heaters	01/13/2022	71.25	02/03/2022	100-417-600 General Supplies	122
7650	LOWES CREDIT SERVICES	2046	concrete	01/13/2022	13.08	02/03/2022	100-575-600 General Supplies	122
7650	LOWES CREDIT SERVICES	2195	golden eagle glide trim misc.	01/14/2022	88.78	02/03/2022	100-417-430 Service-Building Repair/Maint	122
7650	LOWES CREDIT SERVICES	23093	Hand Tools	01/21/2022	216.06	02/03/2022	520-810-614 Supplies-Plant/Shop/Maint	122

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
7650	LOWES CREDIT SERVICES	23938	Paint & Supplies	01/31/2022	95.02	02/03/2022	510-810-614 Supplies-Plant/Shop/Maint	122
7650	LOWES CREDIT SERVICES	2431	paint quikcrete	01/26/2022	293.93	02/03/2022	100-575-600 General Supplies	122
7650	LOWES CREDIT SERVICES	2790	Paint Supplies	02/01/2022	19.40		520-810-614 Supplies-Plant/Shop/Maint	222
7650	LOWES CREDIT SERVICES	2851	Softener salt and cleaning supplies	01/12/2022	202.00	02/03/2022	510-840-614 Plant/Shop/Maint. Supplies	122
7650	LOWES CREDIT SERVICES	2912	Concrete for Bollard	01/19/2022	42.60	02/03/2022	520-810-614 Supplies-Plant/Shop/Maint	122
7650	LOWES CREDIT SERVICES	2979	Wheel Barrow	01/13/2022	122.55	02/03/2022	100-475-600 General Supplies	122
7650	LOWES CREDIT SERVICES	918674	Water Line Fittings for East Lift	12/29/2021	22.29	02/03/2022	520-810-614 Supplies-Plant/Shop/Maint	1221
Total 7650:					1,712.38			
LUMOS & ASSOCIATES INC								
370	LUMOS & ASSOCIATES INC	111362	Cottonwood lane engineering services	01/06/2022	3,148.00		100-475-745 RTC REIMBURSABLE EXPENDI	122
370	LUMOS & ASSOCIATES INC	111399	Ewwtp water line installation record drawings	01/10/2022	1,785.00		510-166100 Construction In Progress	122
370	LUMOS & ASSOCIATES INC	111583	US 50/95A sewer rehabilitation project construction inspection	01/27/2022	18,421.00		520-166100 Construction In Progress	122
370	LUMOS & ASSOCIATES INC	111584	Industrial park rehab engineering design services	01/27/2022	2,129.50		100-475-745 RTC REIMBURSABLE EXPENDI	122
370	LUMOS & ASSOCIATES INC	111585	21/22 Pavement maintenance project engineering services	01/27/2022	5,241.00		100-475-430 Service-Repair and Maintenance	122
370	LUMOS & ASSOCIATES INC	111589	Red rock road extension engineering services	01/28/2022	8,298.00		100-475-745 RTC REIMBURSABLE EXPENDI	122
Total 370:					39,022.50			
LYON COUNTY CLERK/TREASURER								
106	LYON COUNTY CLERK/TREASURER	TLTJanuary2022	Transient Lodging Tax	01/31/2022	2,414.06		225-227010 TLT Payable to County	122
Total 106:					2,414.06			
LYON COUNTY HUMAN SERVICES								
3266	LYON COUNTY HUMAN SERVICES	FECA2105	LCHS ARPA Assistance Program	01/01/2022	2,081.52	02/03/2022	220-480-810 ARPA	122
3266	LYON COUNTY HUMAN SERVICES	FECA2106	LCHS ARPA Assistance	01/07/2022	192.93	02/03/2022	220-480-810 ARPA	122
Total 3266:					2,274.45			
MANAGEMENT PARTNERS INC.								
8840	MANAGEMENT PARTNERS INC.	INV10156	Professional Services	01/28/2022	1,000.00		100-413-322 Prof Serv-Other	122
Total 8840:					1,000.00			
MARSHALL'S SEPTIC CARE								
8509	MARSHALL'S SEPTIC CARE	25343	portable restrooms	01/31/2022	1,014.00		100-575-420 Contract Services	122
Total 8509:					1,014.00			
MATCO TOOLS								
8529	MATCO TOOLS	110336	automatic center punches for shop	01/14/2022	67.16	02/03/2022	100-480-600 GENERAL SUPPLIES/TOOLS	122
8529	MATCO TOOLS	110842	sander for fleet	01/28/2022	349.95		100-480-600 GENERAL SUPPLIES/TOOLS	122

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
Total 8529:					417.11			
MATHEUS, SENIOR JUDGE LORI								
8042	MATHEUS, SENIOR JUDGE LORI	JAN 2022	MUNICIPAL COURT JUDGE	02/04/2022	2,500.00	02/04/2022	100-425-322 Prof Serv-Other	222
Total 8042:					2,500.00			
MCDONALD CARANO								
322	MCDONALD CARANO	12438137	Summerbreeze Lawsuit	01/26/2022	4,195.00	02/03/2022	100-414-310 Prof Serv-Legal	122
Total 322:					4,195.00			
METLIFE SMALL BUSINESS CENTER								
5387	METLIFE SMALL BUSINESS CENTER	FEB 2022	5952725 GROUP DENTAL INSURANCE	02/01/2022	9,464.33	02/03/2022	100-217100 Dental Insurance Payable MetL	222
Total 5387:					9,464.33			
MISCELLANEOUS ONE TIME VENDOR								
1111	MISCELLANEOUS ONE TIME VENDOR	44614	REFUND ADMIN REVIEW APP	02/01/2022	2,350.00		100-320-210 Planning and Zoning Fees	222
1111	MISCELLANEOUS ONE TIME VENDOR	6081	REFUND OVERPAYMENT FOR BUS LIC	01/13/2022	25.00	02/03/2022	100-320-100 Business License Fees	122
1111	MISCELLANEOUS ONE TIME VENDOR	BP20-120	RELEASE BOND; 1800 E NEWLANDS DR	01/26/2022	700.00	02/03/2022	100-228300 Customer Deposits/Bonds - Dev	122
1111	MISCELLANEOUS ONE TIME VENDOR	EN2021-050	RELEASE BOND; 544 COUNTRY HOLLOW DRIVE	01/28/2022	1,600.00	02/03/2022	100-228300 Customer Deposits/Bonds - Dev	122
1111	MISCELLANEOUS ONE TIME VENDOR	EN2021-051	RELEASE BOND; 546 COUNTRY HOLLOW DRIVE	01/28/2022	1,810.00	02/03/2022	100-228300 Customer Deposits/Bonds - Dev	122
1111	MISCELLANEOUS ONE TIME VENDOR	EN2021-065	RELEASE BOND; 2525,2545,2550,2585 EMERSON CIR	01/24/2022	7,420.00	02/03/2022	100-228300 Customer Deposits/Bonds - Dev	122
Total 1111:					13,905.00			
MOUNTAIN ALARM								
8814	MOUNTAIN ALARM	2672211	panic buttons courts.	01/25/2022	3,669.29	02/03/2022	210-425-322 Prof Serv-Other	122
Total 8814:					3,669.29			
MSC INDUSTRIAL SUPPLY CO								
115	MSC INDUSTRIAL SUPPLY CO	23834614	band strap for sweeper streets	01/25/2022	59.35		100-475-430 Service-Repair and Maintenance	122
115	MSC INDUSTRIAL SUPPLY CO	24604714	Hi-Viz Safety Jacket	01/26/2022	61.60	02/03/2022	100-605-600 General Supplies	122
115	MSC INDUSTRIAL SUPPLY CO	26267774	respirator for fleet	01/31/2022	121.34		100-475-614 Supplies-Plant/Shop/Maint	122
Total 115:					242.29			
NAPA AUTO & TRUCK PARTS								
58	NAPAAUTO & TRUCK PARTS	363561	Block heaters for sludge vacs	01/12/2022	233.56	02/03/2022	510-840-614 Plant/Shop/Maint. Supplies	122
58	NAPAAUTO & TRUCK PARTS	363888	Differential pinion seal - rear	01/18/2022	43.19	02/03/2022	510-810-610 Automotive Supplies	122
58	NAPAAUTO & TRUCK PARTS	363894	SEAL FOR 1008	01/18/2022	18.19	02/03/2022	510-810-610 Automotive Supplies	122

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
58	NAPA AUTO & TRUCK PARTS	363951	CREDIT MEMO	01/19/2022	43.19	02/03/2022	510-810-610 Automotive Supplies	122
58	NAPA AUTO & TRUCK PARTS	364344	gloves and oil	01/26/2022	68.56	02/03/2022	100-575-616 Safety Supplies	122
58	NAPA AUTO & TRUCK PARTS	364417	fuses	01/27/2022	29.98	02/03/2022	100-475-610 Automotive Supplies	122
58	NAPA AUTO & TRUCK PARTS	364631	reducer for facilities	01/31/2022	44.99		100-417-610 Automotive Supplies	122
58	NAPA AUTO & TRUCK PARTS	364633	paint supplies for facilities	01/31/2022	16.58		100-417-610 Automotive Supplies	122
58	NAPA AUTO & TRUCK PARTS	364645	strainer for facilities	01/31/2022	5.90		100-417-610 Automotive Supplies	122
58	NAPA AUTO & TRUCK PARTS	364647	mix cups for facilities	01/31/2022	4.40		100-417-610 Automotive Supplies	122
58	NAPA AUTO & TRUCK PARTS	364801	v belt for parks	02/02/2022	25.39		100-575-430 Service-Repair and Maintenance	222
58	NAPA AUTO & TRUCK PARTS	364911	paint supplies for parks	02/03/2022	16.18		100-575-430 Service-Repair and Maintenance	222
58	NAPA AUTO & TRUCK PARTS	364935	sanding disks for fleet	02/04/2022	39.50		100-480-610 AUTOMOTIVE SUPPLIES	222
58	NAPA AUTO & TRUCK PARTS	364949	drive shaft for parks 4008	02/04/2022	130.49		100-575-610 Automotive Supplies	222
Total 58:					633.72			
NCE								
7617	NCE	675192513	On call development inspection services	01/24/2022	13,622.50		100-529-320 Prof Serv-Engineering	122
Total 7617:					13,622.50			
NEVADA DEPARTMENT OF TAXATION								
6378	NEVADA DEPARTMENT OF TAXATION	TLT Jan 2022	Transient Lodging Tax	01/31/2022	1,448.43		225-227015 TLT Payable to State	122
Total 6378:					1,448.43			
NEVADA VETERAN'S COALITION								
8594	NEVADA VETERAN'S COALITION	FY21/22 RND 1-1	FCTA GRANT AWARD JUL-DEC 2021	01/31/2022	6,005.50	02/03/2022	225-575-650 Grant Awards	122
Total 8594:					6,005.50			
NORTHERN NEVADA INTERNATIONAL CENTER								
8844	NORTHERN NEVADA INTERNATIONAL CENTER	6301	Interp Svcs 21tr01801-21cr00118 21cr00119	12/10/2021	580.00	02/03/2022	100-425-330 PROF SERV-INTERPRETER	1221
8844	NORTHERN NEVADA INTERNATIONAL CENTER	6337	100-425-330	01/13/2022	300.00	02/03/2022	100-425-330 PROF SERV-INTERPRETER	122
Total 8844:					880.00			
NORTHWEST AUTOMOTIVE PRODUCT SALES								
8701	NORTHWEST AUTOMOTIVE PRODUCT SALES	10589	sure shot for shop	02/08/2022	66.00		100-480-610 AUTOMOTIVE SUPPLIES	222
Total 8701:					66.00			
NUTRIEN AG SOLUTIONS								
3033	NUTRIEN AG SOLUTIONS	47364052	cleantraxx and pendlumn	01/27/2022	2,181.88	02/03/2022	100-575-617 Supplies-Chemical	122

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
Total 3033:					2,181.88			
NV ENERGY								
167	NV ENERGY	12019 FEB 22	34596505012019 ACH	01/19/2022	4,753.58	02/04/2022	510-810-622 Electricity	122
167	NV ENERGY	13050 JAN 22	48768103613050 ACH	01/11/2022	1,840.32	01/28/2022	100-417-622 Electricity	122
167	NV ENERGY	14319 DEC 21	34596405214319 ACH	01/09/2022	101.84	01/28/2022	100-575-622 Electricity	122
167	NV ENERGY	26445 JAN 22	34596505226445 ACH	01/27/2022	4,000.14	02/14/2022	510-840-622 Electricity	122
167	NV ENERGY	28458 JAN 22	34596505228458 ACH	01/27/2022	9,522.25	02/14/2022	510-840-622 Electricity	122
167	NV ENERGY	30037 JAN 22	34596403630037 ACH	01/19/2022	40.54	02/04/2022	100-576-622 Electricity	122
167	NV ENERGY	34991 DEC 21	34596407734991 ACH	01/12/2022	33.28	02/04/2022	510-810-622 Electricity	122
167	NV ENERGY	37594 DEC 21	80865904937594 ACH	01/12/2022	33.60	01/31/2022	100-475-622 Electricity	122
167	NV ENERGY	65197 DEC 21	34596407565197 ACH	01/11/2022	33.28	01/28/2022	510-810-622 Electricity	122
167	NV ENERGY	67463 JAN 22	34596404867463 ACH	01/12/2022	143.45	01/31/2022	100-575-622 Electricity	122
167	NV ENERGY	84389 JAN 22	34596503684389 ACH	01/11/2022	98.30	01/28/2022	100-417-622 Electricity	122
Total 167:					20,600.58			
OFFICE DEPOT								
133	OFFICE DEPOT	216687199001	FLASH USB	12/20/2021	13.99	02/03/2022	100-416-600 General Supplies	1221
133	OFFICE DEPOT	216687200001	Mesh letter trays	12/18/2021	14.72		100-416-600 General Supplies	1221
133	OFFICE DEPOT	216687202001	LASER POINTERS	12/18/2021	79.73	02/03/2022	100-416-600 General Supplies	1221
133	OFFICE DEPOT	218328804001	DCM Cards	01/12/2022	21.38	02/03/2022	100-413-550 Printing and Postage	122
133	OFFICE DEPOT	221750718001	Community Support CLA	01/19/2022	132.75		100-412-650 Community Support	122
133	OFFICE DEPOT	221884080001	Office Supplies-DCM	01/21/2022	42.66	02/03/2022	100-413-600 General Supplies	122
133	OFFICE DEPOT	221895237001	General Supplies -DCM	01/24/2022	117.74	02/03/2022	100-413-600 General Supplies	122
133	OFFICE DEPOT	222109407001	Office Supplies	01/27/2022	120.56		100-414-600 General Supplies	122
133	OFFICE DEPOT	223689647001	TONER	01/25/2022	189.96	02/03/2022	510-810-601 Office Supplies	122
133	OFFICE DEPOT	224980702001	HEATERS	01/26/2022	164.40	02/03/2022	100-417-600 General Supplies	122
Total 133:					897.89			
OPENGOV, INC.								
8657	OPENGOV, INC.	INV00006335	Permitting Licensing & Code Enforcement	02/04/2022	17,500.00		100-418-342 Tech Services-Other	222
Total 8657:					17,500.00			
O'REILLY AUTO PARTS								
6230	O'REILLY AUTO PARTS	3599-179577	fuel filter for bulk diesel tank	01/13/2022	24.90	02/03/2022	510-810-610 Automotive Supplies	122
6230	O'REILLY AUTO PARTS	3599-179763	wiper bladders for fleet	01/14/2022	27.48		100-480-610 AUTOMOTIVE SUPPLIES	122
6230	O'REILLY AUTO PARTS	3599-180230	rear differential seal	01/18/2022	8.36	02/03/2022	100-480-610 AUTOMOTIVE SUPPLIES	122
6230	O'REILLY AUTO PARTS	3599-180262	WIPERS FOR STREETS	01/18/2022	33.14	02/03/2022	100-475-610 Automotive Supplies	122
6230	O'REILLY AUTO PARTS	3599-180264	WIPERS FOR BUILDING 5003	01/18/2022	70.28	02/03/2022	100-605-610 Automotive Supplies	122
6230	O'REILLY AUTO PARTS	3599-180334	GEAR LUBE FOR PARKS TRACTOR	01/19/2022	74.99	02/03/2022	100-575-430 Service-Repair and Maintenance	122

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
6230	O'REILLY AUTO PARTS	3599-180987	air filter for streets	01/24/2022	30.54	02/03/2022	100-475-610 Automotive Supplies	122
6230	O'REILLY AUTO PARTS	3599-182762	front end parts for parks	02/08/2022	49.68		100-575-610 Automotive Supplies	222
Total 6230:					319.37			
PACIFIC STORAGE COMPANY								
8876	PACIFIC STORAGE COMPANY	5091945	DOCUMENT SHREDDING	01/20/2022	66.00		100-416-420 Contract Services	122
8876	PACIFIC STORAGE COMPANY	5091946	Office Shredding	01/20/2022	16.50	02/03/2022	100-425-322 Prof Serv-Other	122
Total 8876:					82.50			
PAPE KENWORTH								
3097	PAPE KENWORTH	13276118	fan drive for sweeper	01/24/2022	203.13	02/03/2022	100-475-430 Service-Repair and Maintenance	122
3097	PAPE KENWORTH	278847	rock bucket	01/26/2022	2,205.48		100-575-605 Minor Equipment	122
Total 3097:					2,408.61			
PDM								
139	PDM	474838-01	steel for parks gate	01/24/2022	1,798.99	02/03/2022	100-575-610 Automotive Supplies	122
Total 139:					1,798.99			
PITNEY BOWES, INC.								
2840	PITNEY BOWES, INC.	3315112326	LEASE - PARKS	01/26/2022	38.54		100-575-550 Printing and Postage	122
2840	PITNEY BOWES, INC.	3315112326	LEASE - ANIMAL CONTROL	01/26/2022	38.54		100-525-550 Printing and Postage	122
2840	PITNEY BOWES, INC.	3315112326	LEASE - MAYOR	01/26/2022	38.53		100-412-550 Printing and Postage	122
2840	PITNEY BOWES, INC.	3315112326	LEASE - CITY ATTORNEY	01/26/2022	38.54		100-414-550 Printing and Postage	122
2840	PITNEY BOWES, INC.	3315112326	LEASE - SEWER	01/26/2022	38.53		520-810-550 Printing and Postage	122
2840	PITNEY BOWES, INC.	3315112326	LEASE - STREETS	01/26/2022	38.53		100-475-550 Printing and Postage	122
2840	PITNEY BOWES, INC.	3315112326	LEASE - PLANNING	01/26/2022	38.53		100-610-550 Printing and Postage	122
2840	PITNEY BOWES, INC.	3315112326	LEASE - BUILDING	01/26/2022	38.53		100-605-550 Printing and Postage	122
2840	PITNEY BOWES, INC.	3315112326	LEASE - COURT	01/26/2022	38.53		100-425-550 Printing and Postage	122
2840	PITNEY BOWES, INC.	3315112326	LEASE - CITY MANAGER	01/26/2022	38.54		100-413-550 Printing and Postage	122
2840	PITNEY BOWES, INC.	3315112326	LEASE - CLERK	01/26/2022	38.54		100-416-550 Printing and Postage	122
2840	PITNEY BOWES, INC.	3315112326	LEASE - FINANCE	01/26/2022	38.53		100-415-550 Printing and Postage	122
2840	PITNEY BOWES, INC.	3315112326	LEASE - WATER	01/26/2022	38.53		510-810-550 Printing and Postage	122
Total 2840:					500.94			
PUBLIC EMPLOYEES RETIREMENT SYSTEM								
144	PUBLIC EMPLOYEES RETIREMENT SYSTEM	JAN 2022	#621 RETIREMENT CONTRIBUTIONS	01/31/2022	103,463.80		100-216000 RETIREMENT PAYABLE	122
Total 144:					103,463.80			

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title		GL Period
RELIANT ELECTRIC, LLC									
4934	RELIANT ELECTRIC, LLC	22013-1	Hwy 50 Pump Wiring	01/19/2022	540.00	02/03/2022	520-810-428	Contract Services-ELECTRICAL	122
4934	RELIANT ELECTRIC, LLC	22022-1	NE Booster - Electrical Motor Repair	01/19/2022	332.89	02/03/2022	510-810-430	Repairs & Maintenance	122
Total 4934:					872.89				
RENO GAZETTE JOURNAL									
152	RENO GAZETTE JOURNAL	4304263	5028807 Resource Center	12/31/2021	231.00	01/27/2022	100-413-540	Advertising	1221
152	RENO GAZETTE JOURNAL	4304263	5030705 Prop of ordinance	12/31/2021	159.00	01/27/2022	100-416-540	Advertising	1221
152	RENO GAZETTE JOURNAL	4304263	5027308 Wtr & Swr rate increase	12/31/2021	253.50	01/27/2022	510-840-540	Advertising	1221
152	RENO GAZETTE JOURNAL	4304263	5027308 Wtr & Swr rate increase	12/31/2021	253.50	01/27/2022	520-810-540	Advertising	1221
152	RENO GAZETTE JOURNAL	4304263	5027319 Wtr & Swr rate increase	12/31/2021	104.76	01/27/2022	510-840-540	Advertising	1221
152	RENO GAZETTE JOURNAL	4304263	5027319 Wtr & Swr rate increase	12/31/2021	104.76	01/27/2022	520-810-540	Advertising	1221
152	RENO GAZETTE JOURNAL	4304263	5027510 lease surface water	12/31/2021	93.12	01/27/2022	510-810-540	Advertising	1221
152	RENO GAZETTE JOURNAL	4304263	5053316 adoption of ordinance	12/31/2021	163.00	01/27/2022	100-416-540	Advertising	1221
152	RENO GAZETTE JOURNAL	4304263	5053503 proposal of ordinance	12/31/2021	143.00	01/27/2022	100-416-540	Advertising	1221
152	RENO GAZETTE JOURNAL	4366515	5098731 adoption of ordinance	01/31/2022	183.00		100-416-540	Advertising	122
152	RENO GAZETTE JOURNAL	4366515	5027319 Wtr & Swr rate increase	01/31/2022	29.69		510-840-540	Advertising	122
152	RENO GAZETTE JOURNAL	4366515	5027319 Wtr & Swr rate increase	01/31/2022	29.69		510-840-540	Advertising	122
152	RENO GAZETTE JOURNAL	4366515	5027510 lease surface water	01/31/2022	53.56		510-810-540	Advertising	122
152	RENO GAZETTE JOURNAL	4366515	5072384 resolution 22-001	01/31/2022	211.00		100-416-540	Advertising	122
152	RENO GAZETTE JOURNAL	4366515	5079152 bill #304	01/31/2022	159.00		100-416-540	Advertising	122
152	RENO GAZETTE JOURNAL	4366515	5079167 bill #305	01/31/2022	163.00		100-416-540	Advertising	122
152	RENO GAZETTE JOURNAL	4366515	5027503 lease surface water	01/31/2022	387.00		510-810-540	Advertising	122
Total 152:					2,721.58				
RENO HYDRAULIC & REBUILD, INC									
4639	RENO HYDRAULIC & REBUILD, INC	114247	FITTINGS FOR PARKS TRACTOR	01/19/2022	29.62	02/03/2022	100-575-430	Service-Repair and Maintenance	122
Total 4639:					29.62				
RENO ROCK TRANSPORT									
7002	RENO ROCK TRANSPORT	140278	rock for V ditches Sage st.	11/05/2021	3,346.00	02/03/2022	100-475-430	Service-Repair and Maintenance	1121
7002	RENO ROCK TRANSPORT	143398	rock	01/17/2022	5,895.00	02/03/2022	100-475-430	Service-Repair and Maintenance	122
7002	RENO ROCK TRANSPORT	144103	rock for ditches Sea Bisquit	01/25/2022	5,343.00	02/03/2022	100-475-430	Service-Repair and Maintenance	122
Total 7002:					14,584.00				
RESOURCE CONCEPTS									
8602	RESOURCE CONCEPTS	22-103	Water rights Engineering Services	01/17/2022	577.50	02/03/2022	510-810-698	Water Rights Protection	122
Total 8602:					577.50				

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
SAN JOAQUIN DEPT CHILD SUPPORT								
3087	SAN JOAQUIN DEPT CHILD SUPPORT	FEB 2022-1	CHILD SUPPORT WITHHELD	02/11/2022	57.69		100-219900 OTHER PAYROLL PAYABLES	222
3087	SAN JOAQUIN DEPT CHILD SUPPORT	JAN 2022-2	CHILD SUPPORT WITHHELD	01/28/2022	57.69	01/27/2022	100-219900 OTHER PAYROLL PAYABLES	122
Total 3087:					115.38			
SHAW ENGINEERING								
1897	SHAW ENGINEERING	183135	Water and sewer discovery modeling for 600 main street	12/31/2021	1,120.00		100-529-320 Prof Serv-Engineering	1221
1897	SHAW ENGINEERING	183152	Development engineering review for Clover Ranch subdivisio	12/31/2021	5,300.00		100-529-320 Prof Serv-Engineering	1221
1897	SHAW ENGINEERING	183175	West Lift Station upgrade engineering services	12/31/2021	6,489.00		520-166100 Construction In Progress	1221
1897	SHAW ENGINEERING	183190	Sage Tank recoating project engineering services	12/31/2021	1,715.40		510-166100 Construction In Progress	1221
1897	SHAW ENGINEERING	183191	Grit Chamber replacement engineering services	12/31/2021	2,200.80		520-166100 Construction In Progress	1221
1897	SHAW ENGINEERING	183210	Farm District Road Lift Station electrical engineering design	12/31/2021	4,820.00		520-166100 Construction In Progress	1221
Total 1897:					21,645.20			
SILVER STATE BARRICADE								
170	SILVER STATE BARRICADE	124146	safety	12/13/2021	109.50	02/03/2022	100-475-616 Supplies-Safety	1221
170	SILVER STATE BARRICADE	124152	signs	12/14/2021	264.96	02/03/2022	100-475-615 Supplies-Signs and Striping	1221
170	SILVER STATE BARRICADE	124568	post and anchors. misc	01/24/2022	1,671.29	02/03/2022	100-475-615 Supplies-Signs and Striping	122
170	SILVER STATE BARRICADE	124647	signs	01/28/2022	303.00	02/03/2022	100-475-615 Supplies-Signs and Striping	122
170	SILVER STATE BARRICADE	124648	signs	01/28/2022	1,068.52	02/03/2022	100-475-615 Supplies-Signs and Striping	122
Total 170:					3,417.27			
SIPPOLA, REENA G.								
8878	SIPPOLA, REENA G.	22-0103	Punjabi Interpretation	01/04/2022	140.00	02/03/2022	100-425-330 PROF SERV-INTERPRETER	122
Total 8878:					140.00			
SJC LIMITED								
8580	SJC LIMITED	13563	base rock and sand	01/14/2022	1,844.24	02/03/2022	100-475-600 General Supplies	122
Total 8580:					1,844.24			
SOUTHWEST GAS CORP								
204	SOUTHWEST GAS CORP	18971 JAN 22	910000818971 ACH	01/19/2022	30.24	02/07/2022	520-810-621 Natural Gas	122
204	SOUTHWEST GAS CORP	33096 JAN 22	910001133096 ACH	01/27/2022	671.48	02/15/2022	510-810-621 Natural Gas	122
204	SOUTHWEST GAS CORP	33438 FEB 22	910001133438 ACH	01/24/2022	2,196.05	02/14/2022	100-417-621 Natural Gas	122
204	SOUTHWEST GAS CORP	86744 JAN 22	910001086744 WTP	01/24/2022	3,790.16	02/14/2022	510-840-621 Natural Gas	122
Total 204:					6,687.93			

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
STATE COLLECTION & DISB. UNIT (SCaDU)								
176	STATE COLLECTION & DISB. UNIT (SCaDU)	FEB 2022-1	CHILD SUPPORT	02/11/2022	101.77		100-219900 OTHER PAYROLL PAYABLES	222
Total 176:					101.77			
SUNRISE ENVIRONMENTAL SCIENTIFIC								
230	SUNRISE ENVIRONMENTAL SCIENTIFIC	127621	EXETER (AEROSOL)	01/21/2022	254.86	02/03/2022	100-480-600 GENERAL SUPPLIES/TOOLS	122
Total 230:					254.86			
TAGGART & TAGGART LTD								
3275	TAGGART & TAGGART LTD	15667	Water Rights Contract 20/21- BOR	12/31/2021	17,472.98	02/03/2022	510-810-698 Water Rights Protection	1221
Total 3275:					17,472.98			
THATCHER COMPANY, INC.								
8646	THATCHER COMPANY, INC.	2022400102082	Sodium Hypochlorite	01/12/2022	5,883.26	02/03/2022	510-840-617 Chemicals	122
8646	THATCHER COMPANY, INC.	2022400102166	Ferric Chloride	01/11/2022	13,479.20	02/03/2022	510-840-617 Chemicals	122
Total 8646:					19,362.46			
THE FERN 45								
8879	THE FERN 45	FY21/22 Rnd 1-1	FCTA Grant Award Jul-Dec 2021	01/31/2022	4,761.30	02/03/2022	225-575-650 Grant Awards	122
Total 8879:					4,761.30			
TRIO VISION, LLC								
8570	TRIO VISION, LLC	V030016	End piece for camera cable	01/11/2022	252.00	02/03/2022	520-810-430 Service-Repair and Maintenance	122
Total 8570:					252.00			
U S POSTAL SERVICE								
7344	U S POSTAL SERVICE	FEB 2022	PREPAID IN-HOUSE POSTAGE	02/01/2022	1,500.00	01/27/2022	510-810-550 Printing and Postage	222
7344	U S POSTAL SERVICE	FEB 2022	PREPAID IN-HOUSE POSTAGE	02/01/2022	1,500.00	01/27/2022	520-810-550 Printing and Postage	222
Total 7344:					3,000.00			
US BANK								
8510	US BANK	6399790	2017 SERIES BOND FEES; WATER	01/25/2022	350.00		510-810-322 Prof Serv-Other	122
Total 8510:					350.00			
USA BLUEBOOK								
464	USA BLUEBOOK	840864	Pipe Crimp Tool	01/10/2022	1,000.00	02/03/2022	510-810-614 Supplies-Plant/Shop/Maint	122

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
464	USA BLUEBOOK	856129	Chlorine Test Kits	01/24/2022	1,052.00	02/03/2022	510-810-605 Minor Equipment	122
464	USA BLUEBOOK	857414	Pipe Wrenches & Meter Lid Pullers	01/25/2022	447.46	02/03/2022	510-840-614 Plant/Shop/Maint. Supplies	122
464	USA BLUEBOOK	863597	Laboratory Supplies	01/31/2022	822.68		510-840-614 Plant/Shop/Maint. Supplies	122
464	USA BLUEBOOK	864981	Meter Box Lid Pullers	02/01/2022	274.75		510-810-614 Supplies-Plant/Shop/Maint	222
464	USA BLUEBOOK	866450	Lab Supplies	02/02/2022	245.93		510-840-614 Plant/Shop/Maint. Supplies	222
Total 464:					3,842.82			
VERDUNITY, INC								
8851	VERDUNITY, INC	095-02-04	CITYWIDE LAND USE FISCAL ANALYSIS AND IMPLEMENT	01/12/2022	7,500.00	02/03/2022	100-610-322 Prof Serv-Other	122
Total 8851:					7,500.00			
VERUS ASSOCIATES NEVADA, LLC								
8606	VERUS ASSOCIATES NEVADA, LLC	1880	Donner Trails Programming	01/31/2022	721.80		520-810-429 Contract Services-SCADA	122
Total 8606:					721.80			
VOYA FINANCIAL								
8591	VOYA FINANCIAL	JAN 2022-2	DEFERRED COMPENSATION, 457	01/28/2022	2,564.00	01/28/2022	100-215000 457 PAYABLE	122
8591	VOYA FINANCIAL	JAN 2022-2	ROTH IRA	01/28/2022	150.00	01/28/2022	100-215000 457 PAYABLE	122
Total 8591:					2,714.00			
WALTHER LAW OFFICES								
8875	WALTHER LAW OFFICES	FEB 2022	PUBLIC DEFENDER FEB 2022	02/04/2022	6,666.66	02/04/2022	100-413-322 Prof Serv-Other	222
Total 8875:					6,666.66			
WASTE MANAGEMENT								
447	WASTE MANAGEMENT	25001 JAN 22	6-82646-25001	02/01/2022	50.29		100-417-412 Utility Services-Refuse	222
447	WASTE MANAGEMENT	33001 FEB 22	11-60772-33001	02/03/2022	103.14		100-417-412 Utility Services-Refuse	222
447	WASTE MANAGEMENT	33005 FEB 22	11-60745-33005	02/03/2022	14.39		510-840-412 Utility Service-Refuse	222
447	WASTE MANAGEMENT	33009 FEB 22	11-60774-33009	02/03/2022	84.39		510-810-412 Utility Service-Refuse	222
447	WASTE MANAGEMENT	43003 FEB 22	11-60760-43003	02/03/2022	42.20		520-810-412 Utility Service-Refuse	222
447	WASTE MANAGEMENT	65007 JAN 22	6-82641-65007	02/01/2022	53.31		100-475-412 Utility Services-Refuse	222
447	WASTE MANAGEMENT	95009 JAN 22	8-29467-95009	02/01/2022	448.45		100-575-412 Utility Service-Refuse	222
Total 447:					796.17			
WESTERN INSURANCE SPECIALTIES								
881	WESTERN INSURANCE SPECIALTIES	FEB 2022	SUPPLEMENTAL INSURANCE	02/01/2022	353.64	01/27/2022	100-218100 Western Insurance Payable	222

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
Total 881:					353.64			
WESTERN NEVADA SUPPLY CO.								
195	WESTERN NEVADA SUPPLY CO.	19100309	Sensus Iperl Water Meters	01/07/2022	3,926.88	02/03/2022	510-166100 Construction In Progress	122
195	WESTERN NEVADA SUPPLY CO.	19100318	Sensus Iperl Water Meters	01/07/2022	3,087.48	02/03/2022	510-166100 Construction In Progress	122
195	WESTERN NEVADA SUPPLY CO.	19119244	Sensus Iperl Water Meters	01/21/2022	3,926.88	02/03/2022	510-166100 Construction In Progress	122
195	WESTERN NEVADA SUPPLY CO.	19124504	Sensus Iperl Water Meters	01/25/2022	3,926.88	02/03/2022	510-166100 Construction In Progress	122
195	WESTERN NEVADA SUPPLY CO.	19133738	Sensus I-Perl Water Meters	01/31/2022	3,926.88		510-166100 Construction In Progress	122
195	WESTERN NEVADA SUPPLY CO.	19135860	Meter Boxes & Lids	02/03/2022	740.15		510-810-613 Supplies-Meter Service	222
Total 195:					19,535.15			
WETLAB - WESTERN ENVIRON TESTING LAB								
8709	WETLAB - WESTERN ENVIRON TESTING LAB	21120530	WWTP Priority Pollutant Samples	01/28/2022	1,524.79		520-810-423 Contract Services-ANALYTICAL	122
8709	WETLAB - WESTERN ENVIRON TESTING LAB	22010010	Arsenic Sample	01/19/2022	14.12	02/03/2022	510-840-423 Contract Services-ANALYTICAL	122
8709	WETLAB - WESTERN ENVIRON TESTING LAB	22010021	January Coliform Sampling # 1	01/19/2022	192.50	02/03/2022	510-810-423 Contract Services-ANALYTICAL	122
8709	WETLAB - WESTERN ENVIRON TESTING LAB	22010022	Quarterly Raw Water Coliform Samples	01/19/2022	52.50	02/03/2022	510-810-423 Contract Services-ANALYTICAL	122
8709	WETLAB - WESTERN ENVIRON TESTING LAB	22010023	Quarterly Well Hardness Samples	01/19/2022	149.62	02/03/2022	510-810-423 Contract Services-ANALYTICAL	122
8709	WETLAB - WESTERN ENVIRON TESTING LAB	22010141	WWTP Monitoring Well Samples	01/28/2022	493.95		520-810-423 Contract Services-ANALYTICAL	122
8709	WETLAB - WESTERN ENVIRON TESTING LAB	22010142	WWTP Influent & Effluent Samples	01/28/2022	350.46		520-810-423 Contract Services-ANALYTICAL	122
8709	WETLAB - WESTERN ENVIRON TESTING LAB	22010426	WD Coliform Sampling Jan # 2	01/31/2022	175.00		510-810-423 Contract Services-ANALYTICAL	122
Total 8709:					2,952.94			
WOLFE, PAUL R								
8702	WOLFE, PAUL R	01/11/2022	Conflict Public Defender	01/11/2022	1,300.00	02/03/2022	100-425-325 PROF SERV-CONFLICT COUNS	122
Total 8702:					1,300.00			
WSP USA, INC								
8871	WSP USA, INC	3-1130435	Travel Demand Model engineering services	01/17/2022	8,401.15		100-475-320 Prof Serv-Engineering	122
Total 8871:					8,401.15			
WTR ELECTRIC, INC								
8650	WTR ELECTRIC, INC	22006	installed new lights in corner office.	01/20/2022	2,100.00	02/03/2022	100-417-428 Contract Services-ELECTRICAL	122
8650	WTR ELECTRIC, INC	22016	new lights public works conference room	02/03/2022	3,496.29		100-417-428 Contract Services-ELECTRICAL	222
Total 8650:					5,596.29			
XPRESS BILL PAY LLC								
2468	XPRESS BILL PAY LLC	JAN 2022	CREDIT CARD PROCESSING FEES	01/31/2022	1,528.00	01/31/2022	510-810-609 Credit Card Fees	122
2468	XPRESS BILL PAY LLC	JAN 2022	CREDIT CARD PROCESSING FEES	01/31/2022	1,528.01	01/31/2022	520-810-609 Credit Card Fees	122

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
Total 2468:					3,056.01			
Grand Totals:					649,320.17			

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**

January 19th, 2022

Mayor Roy Edgington called the meeting to order at 5:00 pm at Fernley City Hall, 595 Silver Lace Blvd, Fernley, NV.

1. INTRODUCTORY ITEMS

1.1. Roll Call

Present: Mayor Roy Edgington, Councilman Ray Lacy, Councilman Albert Torres, Councilman Stan Lau, Councilwoman Felicity Zoberski, Councilwoman Fran McKay, City Manager Daphne Hooper, Assistant to City Manager Trisha Conner, City Attorney Brandi Jensen via zoom, Special City Attorney David Rigdon, City Engineer Derek Starkey, Public Works Director Dave Whalen, City Treasurer Denise Lewis, Planning Director Tim Thompson, Building Official Billy Staten, City Clerk Kim Swanson, Deputy City Clerk Brenda Gosser, Deputy City Manager Patrick Marsh

1.2. PUBLIC FORUM

Tammy Dittman said the lights on the highway are very nice.

1.3. (For Possible Action) Approval of the Agenda

Motion: MOVE TO APPROVE THE AGENDA. **Action:** Approve, **Moved by** Councilman Lau, **Seconded by** Councilman Lacy. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberski, Councilman Stan Lau.

2. CONSENT AGENDA:

2.1. (Possible Action) Approval of Voucher Report

2.2. (Possible Action) Approval of Minutes from December 15, 2021.

2.3. (Possible Action) Approval of Business Licenses

2.4. (For Possible Action): (A) Execution of "Subdivision Settlement Participation Forms" and releases pursuant to the One Nevada Agreement on Allocation of Opioid Recoveries ("One Nevada Agreement") previously agreed upon for

participation in settlements with (1) the State of Nevada and opioids distributor defendants AmerisourceBergen Drug Corporation, Cardinal Health, and McKesson as listed in Exhibit C to the One Nevada Agreement, and (2) the State of Nevada and opioid manufacturer defendant Janssen/Johnson & Johnson as listed in Exhibit C to the One Nevada Agreement; and (B) Execution of an "Amendment No. 1 to One Nevada Agreement on Allocation of Opioid Recoveries" regarding a reduction in attorney's fees to the One Nevada Agreement for purposes of these two settlements only.

2.5. For Possible Action to Approve a Contract between the City of Fernley and the University Center for Economic Development of the University of Nevada, Reno for a five-year local economic development strategy and action plan for the City of Fernley in the amount of not-to-exceed \$6,000.00.

2.6. Possible Action to adopt an update to the State of Nevada City of Fernley Water Conservation Plan written by Resource Concepts Inc. (RCI) per guidelines of the Nevada Division of Water Resources (NRS 540).

2.7. Possible action to approve a contract with RCI to provide Design and Construction Administration for the proposed Utility and Pavement rehabilitation: and CME, Inc. for material testing of the Villa Park Construction in the amount not to exceed \$127,700.00, and \$43,920.00, respectively.

2.8. Possible Action to Approve the Fire Board Changes to Amendment A to the Inter-Local Contract between the City of Fernley and North Lyon Fire Department.

2.9. Possible Action to Approve the Will-Serve Request from D.R. Horton for Cook Ranch Estates Ph3 for 76 ERCs for Water and 76 ERCs for Sewer for 76 Single Family Residential lots for Lyon County Parcel 021-171-52 located at Jill Marie Ln. and Brierwood Ln., Fernley, NV 89408.

2.10. Possible action to authorize the execution of the Water Right Banking and Dedication Agreement with Gary and Jane Capurro 2000 Revocable Trust, APN 007-111-30, TCID serial number 379 in the amount of 42.39-acre feet.

2.11. Possible action to ratify the purchase of eight Hach turbidity analyzers for a total of \$51,044.63 for the water treatment plant operations.

Councilwoman McKay inquired about Item 2.5. Daphne Hooper City Manager explained the contract with UNR is to pursue community development on a local level for small business development, job creation, and to help implement the Main Street program. The \$6,000 will be for the initial process and for four years of follow-up.

Councilman Lacy requested item 2.5 be pulled from the consent agenda and voted on separately.

Motion: MOVE TO APPROVE THE CONSENT AGENDA WITH ITEM 2.5 TO BE HEARD SEPARATELY, AND ALSO ITEM 2.7 SHOULD READ ON THE LAST LINE "IN THE

AMOUNT NOT TO EXCEED.” **Action:** Approve, **Moved by** Councilwoman Fran McKay, **Seconded by** Councilman Lau. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberiski, Councilman Stan Lau.

Item 2.5 was heard at this time

Councilman Ray Lacy stated the city has gone through this before with UNR and wanted to see a solid plan from UNR with a timeline.

City Manager Daphne Hooper responded that there is a proposal included in the packet that explains the detailed plan that works with the stakeholders in the Main Street program and the downtown remodel plan.

Mayor Roy Edgington clarified that item 2.5 is not about redevelopment a plan to revitalize downtown.

Councilman Lacy reiterated that he does not want to see this money spent without tangible progress.

City Manager Daphne Hooper responded that item 2.5 addresses a completely different process than redevelopment that is more about developing a solid plan to move forward.

Motion: MOVE TO APPROVE CONSENT ITEM 2.5. **Action:** Approve, **Moved by** Councilwoman McKay, **Seconded by** Councilman Lacy. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberiski, Councilman Stan Lau.

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.

Sherriff Frank Howell reported the Sherriff’s Office is very busy with the same number of calls and Fernley is still the busiest area in the county. The average number of calls is between 3,000 and 3,300 a month county wide with about half coming from Fernley. The department just hired 6 new people. The new hires will be in training academy until July.

Chief Jason Nichol reported the 2021 statistics and said the annual report should be done in a couple of weeks. Fire calls had a 7% decrease. Total dollar loss was about 2 million dollars as opposed to 24-million-dollar loss the year before. New fire prevention work from the fire marshal has helped decrease the loss. Fernley had 3,7125 911 calls with 3,297 being medical calls due to the pandemic. There was an 18% increase in medical calls. He will be asking for 3 additional fire fighters in the budget. Chief Nichol stated the average response time is 5 minutes, 6 seconds. There are 4 fire fighter paramedics are currently out with Covid. Fernley went out to help neighboring counties 106 times but called in for help 153 times. When outside help is enlisted that extends response time.

City manager Daphne Hooper reported the citizen's academy starts January 20th and continues for 7 weeks. Arts and culture taskforce meeting scheduled for Monday, January 24th at 3:30 pm on Zoom. Patrick Marsh is the new Deputy City Manager.

4. PUBLIC HEARINGS

- a. Discussion with City Council & Staff
- b. Public Input
- c. Additional Discussion with City Council & Staff
- d. Council Action or Direction to Staff

4.1. (For Possible Action): Public hearing to consider comments regarding resolution of intent to exchange real property with Lyon County and possible action to approve transfer of 105 Lois Lane (APN 021-103-57) to Lyon County.

Brandi Jensen City Attorney explained the resolution and the transfer.

Motion: MOVE TO APPROVE THE TRANSFER OF 105 LOIS LANE, FERNLEY, NEVADA APN 021-103-57 TO LYON COUNTY AND TO AUTHORIZE THE MAYOR TO EXECUTE THE DEED. **Action:** Approve, **Moved by** Councilman Lau, **Seconded by** Councilman Lacy. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberski, Councilman Stan Lau.

5. ORDINANCES - INTRODUCTION ONLY.

5.1. Second Reading, Public Hearing, Resolution #21-012 and Bill #304 (FOR POSSIBLE ACTION).

Tim Thompson Planning Director presented the resolution. He explained the resolution is to change the property zoning from general commercial and general rural to Industrial property.

Kaitlynn Moore from Buzz Oates represented the applicant for the zoning change. She said this is the company's first project in Nevada. The land is currently vacant and undeveloped and must be rezoned to industrial to support the project. It is a 4-building industrial business park concept. It was designed to work with other industrial businesses in the area and aligns with the city's goals. It was estimated to bring upwards of 1 thousand new jobs to residents. They will work to employ Fernley residents rather than commuting workers. wages.

Councilman Lacy asked if the location of the project would reduce downtown traffic which Kaitlynn Moore confirmed.

Mr. Rosenburn Fernley Resident asked exactly how the project will impact the already problematic traffic in the area.

Kaitlynn Moore from Buzz Oates responded that the applicant conducted a traffic study for the project which did not indicate changes would need to be made though they are open to hear concerns from the public and work with NDOT.

Councilwoman Zoberski expressed concern about keeping some of those properties around the proposed area for commercial.

Break 6:02 – 6:11

Tim Thompson Planning Director presented the master plan land use map. He said the bulk of the commercial zoning is along the highway and the 95 corridors with a few at 50A corridor and near the high school. He added that the downtown corridor is suburban mixed-use label with residential, commercial, and service industry.

Councilwoman McKay expressed concern over the traffic in the area of the project.

Motion: MOVE TO CERTIFY RESOLUTION #21-012 TO APPROVE THE COMPREHENSIVE MASTER PLAN AMENDMENT ASSOCIATED WITH MPA 21001, BASED ON FINDINGS MP1 AND MP3 AND FACTS SUPPORTING THOSE FINDINGS AS SET FORTH IN THE STAFF REPORT. **Action:** Approve, **Moved by** Councilman

Torres, **Seconded by** Councilman Lau. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 4 No = 1). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilman Stan Lau. **No:** Councilwoman Felicity Zoberiski,

Motion: MOVE TO ADOPT BILL #304 A GENERAL ORDINANCE FOR ZONING MAP AMENDMENT ASSOCIATED WITH ZMA21003 BASED ON FINDINGS Z1 THROUGH Z3 AND THE FACTS SUPPORTING THOSE FINDINGS AS SET FORTH IN THE STAFF REPORT. **Action:** Approve, **Moved by** Councilman Torres, **Seconded by** Councilman Lacy. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberiski, Councilman Stan Lau.

6. STAFF REPORTS

6.1. Staff Report, Tentative Subdivision Map – TSM21004 (FOR POSSIBLE ACTION)

Tim Thompson Planning Director introduced the tentative map for phase 1 from Red Hawk Ranch. He said the planning commission unanimously recommended the project for approval by the city council. The development agreement was approved with adjacency standards for the project that included a buffer zone along the residences. The design complies with the development agreement approved by council. Staff suggests amending condition 26 to obtain a traffic study acceptance letter and condition 31 to have the wood fence maintained by the homeowner's association. Condition 34 is about a flood plain management and FEMA. Condition 35 is for Main Street improvements from the NDOT facility to the intersection of Truckee Lane and Main Street to Miller Lane for a center turn lane. Condition 36 is the Main Street and US 95-A Intersection requirement for the applicant to pay a proportionate share of those future improvements. Condition 37 is the Main Street and Miller Lane proportion share payment requirement of the applicant.

Derek Kirkland with Wood Rogers represented the applicant Todd Pardula. He presented an overview of the project and project history since 2004. He mentioned they have less units planned than the capacity allowed in the development agreement. Phase 1 is 87 acres with 39 lots being 15,000 square feet perimeter lots. Then we have 243 6,000

square foot lots. Mr. Kirkland stated they are making improvements to Stock Lane, realigning Truckee Lane and working with the neighbors. Part of the project is to improve the flood zone with a focus on landscaping throughout the project. Taxes will go to the schools, roads, and parks from the project. Stock Lane and Truckee Lane improvements are valued at over 1 million dollars. Additional contributions and conditions imposed by staff are agreeable and he will work with staff on those contributions.

Councilman Torres asked about the plans to build a park for the subdivision. He welcomes the idea of building the park but asked the applicant to work with staff over who will maintain it.

Councilwoman Zoberski asked about the difference between the HOA and the maintenance program.

Doug Farzer project attorney responded that the main difference is the scope of regulation they are subject to. There wouldn't be a functional difference to the City of Fernley in terms of maintenance. He mentioned the city can amend condition 31 to include perpetual maintenance to the satisfaction of staff.

Mark Sindbroder project engineer explained for councilwoman Zoberski that the flood plain will have a Weir to guide the water to a spill point into a channel.

Derek Kirkland from Wood Rogers added that phase 2 will look at how many culverts will be needed to direct the water under Main Street and to the north.

Joe Reisenour Fernley Relator and resident stated he sees this company building a good relationship with the community and sees this project as a positive for the west side of Fernley.

Tammy Dittman Fernley resident said the maintenance program is totally different than an HOA. Southwest Meadows is not the same as Desert Lakes and the maintenance of the public areas are taken care of weekly by their association that hires someone.

Dana Uhlhorn First Option Realty stated this is the kind of development Fernley needs. He said the applicant has bent over backwards to work with the community and the neighbors and done the best they can to accommodate them.

Cody Wagner Fernley resident and Planning Commissioner said they heard this item last month and voted unanimously for it and he felt this developer has made a huge effort to work with the community and he appreciated that.

Tom Rosenbloom Fernley resident said he was impressed with the accommodations and adjustments being made with the traffic plan and the adjustments on Main Street. He thinks it shows common sense both on the city's part and on the part of the development.

Tim Thompson Planning Director said condition 31 was amended and would read "the applicant shall provide covenants, conditions and restrictions with the first final map and shall be subject to review and approval by the administrator and City Attorney. CC&Rs shall be recorded concurrently with the final subdivision map. The applicant shall include in the CC&R's provisions outlining perpetual maintenance responsibilities for common areas landscape mediums, perimeter fencing or other common elements to the approval of the administrator and City Engineer and Public Works Director. The city shall be named a third-party beneficiary of said maintenance obligations to the approval of the administrator and shall disclose that the city may require formation of a landscape maintenance assessment district in the event of default under such maintenance obligations.

Motion: MOVE TO APPROVE THE TENTATIVE SUBDIVISION MAP ASSOCIATED WITH TSM 21004, BASED ON FINDING TM1 THROUGH TM11 AND THE FACTS SUPPORTING THE APPROVAL CRITERIA AS SET FORTH IN THE STAFF REPORT AND SUBJECT TO THE CONDITION OF APPROVAL 1 THROUGH 37 WITH THE CHANGE IN CONDITION NUMBER 31 AS PRESENTED. **Action:** Approve, **Moved by** Councilwoman McKay, **Seconded by** Councilman Lacy. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 4, No = 1). **Yes:** Councilman Lacy, Councilwoman McKay, Councilwoman Zoberski, Councilman Lau, **No:** Councilman Torres

6.2. (For possible action) Approve an appeal to the Ninth Circuit Court of Appeals of the decision by the United States District Court (District of Nevada) in City of Fernley v. Ernest Conant, et al. (Case No. 3:21-cv-00119-MMD-CLB) dismissing Fernley's complaint with prejudice and without leave to amend.

Dave Rigdon Special City Attorney for Water Issues explained the litigation over the environmental impact statement that the federal government did and the city alleges they were deficient in preparing that environmental impact statement. The Federal Government filed a motion to dismiss Fernley's complaint on the basis that the City of Fernley lacks standing to bring it. The city argued in front of the district court judge on whether the city could insert an interest that could be recognized by the court to give the court jurisdiction over the case. The court issued an order dismissing the case with prejudice that would not allow the city to argue further to amend the complaint. The only other recourse is the Ninth Circuit Court of Appeals in San Francisco. He asked permission to appeal at the Court.

Daphne Hooper City Manager said the amount budgeted for water rights protection is \$440,000 and to date \$100,000 was spent including what was spent for the litigation.

Motion: MOVE TO AUTHORIZE TAGGART AND TAGGART LTD. TO FILE AN APPEAL WITH THE NINTH CIRCUIT COURT OF APPEALS OF THE DECISION BY UNITED STATES DISTRICT COURT (DISTRICT OF NEVADA) IN THE CITY OF FERNLEY V. ERNEST CONANT, ET AL. (CASE NO. 321-CV-00119-MMD-CLB) WHICH DISMISSED FERNLEY'S COMPLAINT WITH PREJUDICE AND WITHOUT LEAVE TO AMEND.

Action: Approve, **Moved by** Councilman Torres, **Seconded by** Councilman Lacy. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberski, Councilman Stan Lau.

6.3. Update and possible action to approve the programming and services for the Community Response & Resource Center.

Trisha Connor Assistant to the City Manager presented an overview of the update for the community response & Resource center. She said last year 12 million dollars of ARPA funds were set aside for this project. A contract with TSK was approved in October of 2021 to work on the Architectural and Engineering services of the building. Predesigned services and concepts update was included with the agreement to TSK to determine what

services and programming will be going into that building. The city found programs that meet the ARPA requirements and addressed the City's needs from the impact of Covid.

Kevin Kenner from TSK Architects presented a diagram of the spaces and designations in the building. Pre-K Classrooms will be available for 75-90 students. There will be a teen center and youth game room as program activities. A day care will be there as the community building has most youth-oriented programs. Meeting areas will be available for the community that can even be used for vaccinations centers and emergency services. A large commercial kitchen will be used daily by the youth services and will be available for banquets and meetings. The gymnasium is a large space that can be used to host events as well. He said they are monitoring the project to keep the building within budget. There is a secure entrance for the children that will allow visitors to be monitored.

Motion: MOVE TO APPROVE THE PROPOSED PROGRAMING AND SERVICES FOR THE COMMUNITY RESPONSE AND RESOURCE CENTER. **Action:** Approve, **Moved by** Councilman Torres, **Seconded by** Councilman Lacy. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberski, Councilman Stan Lau.

6.4. (For possible action) Update on City of Fernley COVID-19 response including City Hall reopening, funding for state and local governments, local business re-opening plans, and local events.

Daphne Hooper City Manager provided an update about the state directive to mask per the mandate because the county is still in a high level of cases. The covid walk-in clinic is scheduled Tuesday, January 25th, from 3 to 4 pm at City Hall. People can request free COVID Tests from www.covidtests.gov or call the hotline as the Carson Health and Human Services is no longer providing testing. Lyon County is working to get home tests delivered to Fernley residents that will be distributed at City Hall. Local pharmacies carry tests as well. CDC has changed quarantine guidelines to 5 days.

7. ADDRESS REQUEST(S) FOR FUTURE AGENDA ITEMS.

Councilman Torres requested to stop the declaration of emergency for the City of Fernley because it has been two years since the pandemic began.

Mayor Roy Edgington requested to update the City about the dangerous dog policy. He also requested a policy pertaining to HOA's.

8. PUBLIC FORUM

Tammy Dittman spoke about Covid tests and retention ponds. She felt the community center is not the proper use of ARPA funds and would like an attorney to look at it. She is worried Fernley residents will have to pay for it if found those funds are misused.

There being no further business to come before it, the Fernley City Council meeting adjourned at 8:19 PM.

Approved by the Fernley City Council on February 2nd, 2022, by a vote of:

AYES: _____ NAYS: _____ ABSTENTIONS: _____ ABSENT: _____

Mayor Roy Edgington

ATTEST: City Clerk Kim Swanson

**Minutes of the
Fernley City Council Meeting**

February 2nd, 2022

Mayor Roy Edgington called the meeting to order at 5:00 pm at Fernley City Hall, 595 Silver Lace Blvd, Fernley, NV.

1. INTRODUCTORY ITEMS

1.1. Roll Call

Present: Mayor Roy Edgington, Councilman Ray Lacy, Councilman Albert Torres, Councilman Stan Lau, Councilwoman Felicity Zoberiski, Councilwoman Fran McKay, City Manager Daphne Hooper, Assistant to City Manager Trisha Conner, City Attorney Brandi Jensen, City Engineer Derek Starkey, Public Works Director Dave Whalen, Deputy City Treasurer Thomas Lukas, Planning Director Tim Thompson, Building Official Billy Staten, City Clerk Kim Swanson, Deputy City Clerk Brenda Gosser.

1.2. PUBLIC FORUM

There was none.

1.3. (For Possible Action) Approval of the Agenda

Motion: MOVE TO APPROVE THE AGENDA. **Action:** Approve, **Moved by** Councilman Lacy, **Seconded by** Councilman Lau. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberiski, Councilman Stan Lau.

2. CONSENT AGENDA:

2.1. January 5, 2022, Fernley City Council Minutes

2.2. (Possible Action) Approval of Voucher Report.

2.3. (Possible action) Approval of Business Licenses

2.4. Possible Action to Approve the City of Fernley Annual Road and Street Mileage Report to be submitted to the Nevada Department of Transportation (NDOT).

Motion: MOVE TO APPROVE THE CONSENT AGENDA. **Action:** Approve, **Moved by** Councilman Lau, **Seconded by** Councilman Lacy. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberski, Councilman Stan Lau.

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

Ed Kilgore Lyon County Undersheriff said the Sheriff will be available for the next meeting to provide a report. He said he was available for questions. There were none.

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

Mayor Roy Edgington said he went to the northern Nevada Development meeting where the county managers all gave a report. Single family dwellings are still being built but not as fast as we need. Northern Nevada appears to be recovering better than Southern Nevada due to the lack of tourism. Unemployment in Nevada is below the national average, but Clark County is above the national average. 40% of unemployed people according to a survey, said they aren't working because they retired. 1% was due to COVID and 3.5% was due to lack of childcare. Net worth has gone up largely due to the increase cost of houses. Fernley has a small inventory of homes struggling to keep up with demand.

Councilman Torres reported that the dementia friendly event was cancelled due the high numbers of Covid. It will be rescheduled, and the Fernley Senior Citizen Advisory Committee Meeting will be February 11th in the City Chambers at 9am.

Councilwoman McKay added that one of the meetings she went to with the mayor reported there were 96 ships in the Los Angeles harbor waiting to unload which explains the many empty shelves around Fernley.

City manager Daphne Hooper reported that the city has transitioned to a new system so anyone interested in seeing the city reports and agendas need to sign back up to be notified when they are posted. People can contact the City Clerk's Office or the City

Manager's office for assistance signing up with NotifyMe. On February 4th from 5-7pm there is an Art event that is free to the public. The January Community Development report has been published on the City's website as well as the City of Fernley Winter newsletter.

Billy Staten Building Official for the City presented the January Metrics. He reported Code enforcement and building officials were sworn in by Councilman Torres.

4. PROCLAMATIONS BY THE MAYOR

There were none.

5. PRESENTATIONS

5.1. State of the City by Mayor Roy Edgington

Mayor Roy Edgington presented the State of the City. He said Fernley has come a long way in the last 10 years. Currently the city has \$12.8 M in the general fund and has proven to be financially responsible. City has adjusted to the pandemic and continues to grow. As Fernley develops into a more urban community, he has seen how there is a change in priorities that focuses more on the future of Fernley. The city has partnered with many local organizations and businesses to make improvements and grow throughout the years. Public meetings and events have helped to connect the community even through the pandemic while the city transitioned to virtual conferencing. The general fund debt for city Hall has been paid off in the amount of \$1.7 million.

Mayor Edgington stated the council, and city staff is committed to improve the community and the lives of the citizens.

5.2. Presentation and discussion by Nikki Bryan, Lyon County Clerk, on secure polling stations, secure ballots, same day voter registration, and automatic DMV Voter Registration.

Nikki Bryan, Lyon County Clerk gave an overview on the history of voting and how the decision was made to use the sequoia voting system.

5.3. (For Possible Action) Yearly Presentation on the City Attorney's Office by City Attorney Brandi Jensen.

City Attorney Brandi Jensen presented this item.

6. STAFF REPORTS

6.1. Consideration and possible direction to staff to process a Zoning Map Amendment for the City-owned property located at 1170 Newlands Drive (APN: 021-211-02).

Tim Thompson Planning Director explained the Zoning map amendment is intended to change the property zoning from SF6 to change it to a Multifamily residential zoning district to bring the property to conformance with the land use in the master plan.

Motion: MOVE TO DIRECT STAFF TO PROCESS A ZONING MAP AMENDMENT FOR THE CITY-OWNED PROPERTY LOCATED AT 1170 NEWLANDS DRIVE APN # 021-211-02. **Action:** Approve, **Moved by** Councilwoman McKay, **Seconded by** Councilman Lacy. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5, No = 0). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberiski, Councilman Stan Lau.

6.2. (For Possible Action): Discussion and possible approval for Fernley Mural Artists selection.

Daphne Hooper City Manager introduced the City Arts & Culture is hosting Murals, music, and margaritas in May, funding has been provided by the Arts & Culture Committee Task Force as well as Sierra NV Arts Foundation. They received 40 artists applications, 17 were selected with 5 alternates. She asked City Council to approve the selections.

Motion: MOVE TO APPROVE THE ARTIST SELECTION AND ALTERNATE ARTIST SELECTION FOR THE FERNLEY MURALS PROJECT IN COORDINATION WITH THE FERNLEY MURAL MUSIC AND MARGARITA FESTIVAL IN FISCAL YEAR 2021/2022. **Action:** Approve, **Moved by** Councilwoman McKay, **Seconded by** Councilman Lau. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberiski, Councilman Stan Lau.

6.3. (For possible action) Update on City of Fernley COVID-19 response including City Hall reopening, funding for state and local governments, local business re-opening plans, and local events.

Daphne Hooper City Manager provided an update that all NV counties are considered high risk of transmission. Everyone must wear a mask regardless of vaccination status when indoors. State of NV is automatically adopting the recommendation of the CDC. Quarantine time is now 5 days.

7. ITEMS REQUESTED BY MAYOR OR CITY COUNCIL MEMBERS:

Zoberski requested to revisit zoning in Master Plan and land uses since we keep running into issues that are zoned rural. She would like to make sure to keep some of the rural areas rural and preserve the charm of Fernley. She will get together with Daphne and Tim to create a future agenda item.

Mayor requested a future item to look at the Park's master plan and see if staff would take over the motorcycle track at the end of town.

7.1 Discussion and possible action regarding a future agenda item to dissolve Resolution 20-006, Declaring a local State of Emergency for the City of Fernley. (Councilman Torres's Request).

Councilman Torres expressed that Covid 19 no longer constitutes an emergency being two years through the pandemic now, with the peak of Omicron having come and gone so the City of Fernley should look at dissolving the resolution. He pointed out the resolution has already expired anyway from the State.

Motion: MOVE TO BRING RESOLUTION 20-2006 AS A FUTURE AGENDA ITEM TO DISSOLVE. **Action:** Approve, **Moved by** Councilman Torres **Seconded by** Councilwoman Zoberski. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberski, Councilman Stan Lau.

7.2. Discussion and possible action to request a future agenda item regarding updating Fernley Municipal Code, Title 6, Animals. (Mayor Edgington's request).

Mayor Edgington explained that he would like to modify the dangerous and vicious dog permit to include additional requirements, as well as a procedure in the bench book for how to administer due process when dealing with dangerous and vicious dog appeals.

Motion: MOVE TO HAVE CITY STAFF LOOK INTO UPDATING AND MODIFYING THE REQUIREMENTS AND RULES FOR VICIOUS AND DANGEROUS DOGS. **Action:** Approve, **Moved by** Councilman Lau, **Seconded by** Councilman Lacy. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberski, Councilman Stan Lau.

7.3 Discussion and possible action regarding a future agenda item pertaining to a potential failure of a Homeowners Association. (Mayor Edgington's request).

Mayor Edgington expressed the need to have language to require HOA's to have a retention pond and if it fails, the City will pick it up and collect funds to maintain it from the homeowners.

Motion: MOVE TO BRING BACK THE FUTURE AGENDA ITEM PERTAINING TO A POTENTIAL FAILURE OF A HOMEOWNER'S ASSOCIATION. **Action:** Approve, **Moved by** Councilman Lacy, **Seconded by** Councilman Lau. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilwoman Fran McKay, Councilwoman Felicity Zoberski, Councilman Stan Lau.

8. PUBLIC FORUM

Tammy Rosenberry spoke about the STEM festival will be held on March 3rd 5:00-8:00 PM. The judging will be held on March 2nd from 5:30-7:30 at the high school..

9. Adjournment

The next city council meeting will be held February 16th at 5 PM.

There being no further business to come before it, the Fernley City Council meeting adjourned at 6:40 PM.

Approved by the Fernley City Council on February 16th, 2022, by a vote of:

AYES: ____ NAYS: ____ ABSTENTIONS: ____ ABSENT: ____

Mayor Roy Edgington

ATTEST: City Clerk Kim Swanson

Report Criteria:

License.Status = "Active"

Business.Origination date = 01/26/2022-02/09/2022

Business Name	Name	Location	Location City	Business Telephone 1	Description	Occupation	License Number
Thermold Insulation LLC	Laura Epperson	2995 White Pine Drive	Washoe Valley	775-250-5357	Contractor	Mechanical Insulation Contractor	BL22-6329
HG Construction LLC	David & Brittany Hall	1800 Partridge Rd.	Fernley	775-835-2015	Contractor	Gen Construction, Electrical Contr	BL22-6330
Hippie at Heart Salon, LLC	Jeremy Carroll / Sara	415 Hwy 95A #501	Fernley	775-219-9465	Hair/Nail/Tanning/Spa Se	Nail salon and product sales	BL22-6331
Ironbull Clean-Up	Jason Munn	222 Briddlepath Way	Fernley	775-980-6075	Handyman	Handyman	BL22-6332
Amore Custom Homes LLC	Karen Strong	3700 Nye Dr.	Washoe Valley	702-750-7233	Contractor	General Contractor/new residenti	BL22-6333
Peak Inspections, LLC	Grant Reimers	205 Scarlet Way	Fernley	775-462-8716	Inspection Services	Home Inspections	BL22-6334
Dependable Detail	Chris Donica	1000 Jessica Lane	Fernley	775-250-5290	Handyman	Handyman	BL22-6335
Solid State Electric LLC	Jared Gunderson	7787 Eastgate Road, Suite #100	Henderson	702-556-6600	Contractor	Electrical/photovoltaic Contractor	BL22-6336
Home Energy Performance	John & Catherine Ca	3185 Indian Ln.	Reno	775-391-9393	Business Specific Profes	Blower door & duct testing	BL22-6337

Grand Totals:

9

Report Criteria:

License.Status = "Active"

Business.Origination date = 01/26/2022-02/09/2022



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council

REPORT THRU: Daphne Hooper, City Manager

REPORT FROM: tconner tconner

FINANCIAL IMPACT:	CURRENTLY BUDGETED:	FUND/ACCOUNT:
Yes: X No:	Yes: X No:	220-480-810

ACTION REQUESTED: Consent

AGENDA ITEM: (For Possible Action):

(Possible Action) Approve a contract for the Owner's Representative/Construction Manager as Agent Services for the Fernley Community Response & Resource Center in the amount not-to-exceed \$602,232 to Cumming Management Group Inc.

AGENDA ITEM BRIEF:

On August 4, 2021, City Council approved the ARPA spending plan, including \$12,000,000 for the development of a Community Response & Resource Center. Staff is proposing the contract funds be paid by this allocation. The Owner's Representative/Construction Manager as Agent contract is to ensure there is a person/company who represents the City and focuses on evaluating the project from the City's perspective beginning at the earliest stages of planning and continuing through occupancy.

RECOMMENDED MOTION:

I move to approve the contract for the Owner's Representative/Construction Manager as Agent Services for the Community Response & Resource Center to Cumming Management Group, Inc., in an amount not to exceed \$602,232.

BUSINESS IMPACT (per NRS Chapter 237):

N/A

See attached report for background, analysis, alternatives.

ALTERNATIVES:

City Council may ask for more information, approve a different amount, or not approve the contract.

BACKGROUND:

On August 4, 2021, Fernley City Council approved the American Rescue Plan Act spending plan which included \$12,000,000 for the development of a Community Response & Resource Center. ARPA State and Local Fiscal Recovery Funds allows for capital project/investments that respond to the COVID-19 public health emergency. The Community Response & Resource Center will serve as an emergency hub for the City of Fernley and residents.

City staff would like to contract for an Owner's Representative/Construction Manager as Agent services for the Community Response & Resource Center project to ensure the City's project needs are met and the project comes in on time and on budget. Failure to meet budgets and deadlines can often stem from the planning stages, so having an experienced consultant on hand to provide guidance is a major contributor to setting realistic expectations. A Construction Manager as Agent takes on a managerial role in the development of the Community Response and Resource Center and is responsible for all the moving parts of the construction.

Staff published the Request for Proposal for the Owner's Representative/Construction Manager as Agent services on December 1, 2021. The Intent to Bid notification deadline was December 9, 2021 at 5:00 pm, however it was not required. The Recommended Pre-Bid Conference was held on December 10, 2021 at 2:00 pm in City Hall. Vendor Questions deadline was December 15, 2021 at 3:00 pm and City Response to Vendor Questions and Clarifications were published by the deadline, December 21, 2021 by 5:00 pm on the City's website and emailed to proposing firms. Proposals were due December 23, 2021 by 3:00 pm via email – the City received one proposal. Staff elected to forego the Short-list and Interviews because only one qualified proposal had been received.

Owner's Representative/Construction Manager as Agent Services Scope of Work

The following professional services are required for the Community Response and Resource Center project:

Assist with Schematic Design:

- Review Owner's master plan and all other City supplied planning materials. Review scope/program and costs and understand the Owner's goals for the project(s). Note allowances, owner soft costs, escalation, and any other specific line items as they relate to the entire project and budget
- Assist City of Fernley Staff as required with preparation and maintenance of the Project Management Plan including the Construction Management Plan and the Risk Management Plan
- Establish Owner's Representative as the central point of contact for coordinating all project activities including process for approvals, maintenance of project records, responses to inquiries from consultants, suppliers and contractors, transfer of information to decision makers, coordination of project information flow and progress reports to the Owner, and general public as required.
- Co-ordinate with the design team throughout the design phases and create progress reports to

be delivered to Owner. Provide appropriate feedback to the design team.

- Maintain a Master Program Budget to be tracked from start to completion of the project. Maintain accountability to the budget, assist the Owner with monitoring, allocation of funding sources, identify cost savings and design options/products, maintain and review project costs to confirm that the project is designed within the budget and to avoid value engineering at the end of the design process. Serve as liaison with City staff in all budget matters. Owner's Representative is to maintain, track and coordinate use of any projects reserve accounts with the Owner. At no time should the reserve account be used for project expenses unless approved by the Owner
- Compile and update Master Schedule milestones for all design phases, design review, bidding activities, purchase of major equipment, lead times for fixtures and equipment, coordination of activities outside construction, and coordination of key decision points with Owner. Insure that these project milestones are accounted for in project contract documents.
- Assist the Owner with developing/ implementing and coordinating technology needs. Assist with the selection of consultants and vendors.
- Schedule and attend all design review meetings and review the design professional's agenda and minutes for accuracy and correct any errors within such documents.
- Provide weekly and monthly status reports to the Owner summarizing progress, schedule and cost status, major decisions, changes, and other key project information.
- Assist the Owner in their review and approval of schematic design.

Assist with Design Development:

- Assist with selection of consultants through a qualifying and selection process that are not traditionally part of an architect/engineer/general contractor's consultant team but will have contracts with Owner, such as environmental, third party testing and inspections, FF&E, technology, etc.
- Identify all State and Local agencies that will be utilized during the review process and oversee the submittal process. This will include coordination of all road improvements/ site development requirements with State and Local agencies.
- Initiate project review of drawings/specs and cost estimate with Owner for review prior to proceeding to Construction Documents. This includes consulting with the Owner on issues which impact the constructability and feasibility of the project.
- Participate in value engineering exercises and evaluate proposed building design systems as to quality, first cost and life cycle cost, constructability, and availability.
- Review all applications for payment from Owner's consultants, designers, and engineers and provide recommendations to Owner for approval/revision/rejection.
- Coordinate schedule, submittals, and review by utility agencies.

Assist with Construction Documents:

- Assist and coordinate project submittals and deadlines for agency reviews.
- Orchestrate and assist the Owner in the review of construction documents/specifications and cost estimates for approval of construction documents.
- Coordinate acceptance of the Construction Documents and finalize pricing.
- Assist City of Fernley with solicitation and selection of 3rd party entity for Building permit review and approval.

Assist with the Bidding Process:

- Coordinate with agencies affected.
- Coordinate and review any modifications to pricing with the Owner.

Oversee Construction Process:

- Monitor safety compliance with all Federal/State/Local requirements (not limited to OSHA, EPA, and EEO) thru the CMAR.
- Coordinate moving and storage of equipment and furnishings as necessary.
- Assist with placement of construction trailers, fences, signage, staging areas, and construction traffic zones.
- Attend Construction Meetings as established (weekly or bi-weekly).
- Create materials for the City to distribute to their staff and local neighbors indicating construction timeframes, rules during construction, and what to expect.
- Review construction progress as provided in construction management programs and take necessary action such that weekly minutes are accurate (including but not limited to construction progress, cost concerns, schedule, and outstanding issues). Serve as distributor of progress reports.
- Review construction schedule and any impacts due to delays; advise Owner with regards to recovery schedules as required.
- Advise the Owner on issues including construction costs, schedule, coordination, and owner occupancy. Notify Owner if there is deviation from project progress.
- Coordinate and document that inspections and testing reports take place as required. Review reports to take necessary action such that deficiencies are addressed. Coordinate with the Owner and CMAR reports during the week and weekend.
- Photograph construction progress. Provide observations regarding quality of workmanship, conformity to plans and specs. Address corrective measures to mitigate and correct non-conforming workmanship per the Contract Documents as identified by the Architect or Contractor. Notify the Owner of non-conforming work with the Contract Documents. O/R to coordinate with all consultants/ vendors responsible for the non-conforming work to implement a corrective solution.
- Participate as part of the communications and distribution of construction directives including, but not limited to RFI, PCO, ASI actions.
- Assist the Owner in the review of pending Change Orders and notify the Owner of such. The O/R should review with the design team the proposed scope and costs assigned with the pending change order prior to reviewing with the Owner. This includes the work of design professionals and specialty consultants and contractors.
- Resolve any disputes or claims prior to final approval or denial of a Change Order.
- Review appropriateness of each pay application with the design team and take necessary action such that lien/claim releases are executed and included with all pay applications and all disputes or claims are resolved prior to approval of a pay application.
- Solicit and receive bids, coordinate delivery and installation for Owner purchased items which are contracted through the Owner including but not limited to FF&E.
- Assist with scheduling and implementation of technology and security as it applies to the project(s).
- Assist the Owner with any concerns and/or complaints by staff, community members, and parents during construction.
- Develop and maintain project files to include a record copy of all contracts, drawings, specifications, addenda, change orders and drawing modifications, shop drawings, product data and samples, handbooks, manuals and instructions and related materials for Owner's FF&E. Confirm that design professionals and construction manager supply these critical documents as well as documentation of all required testing and quality control inspections.

- Provide weekly/monthly status reports to the Owner summarizing progress, schedule and cost status, major decisions, changes and other key project information.

Assist with the Close-Out of the Project:

- Coordinate moving of new/stored furnishings and equipment into the completed facilities, if required.
- Take necessary actions such that there is a seamless handover of projects to the Owner.
- Develop the protocol and conduct a comprehensive final inspection of the project to verify that the materials furnished and work performed are in accordance with the contract documents. Schedule and assist the Owner in developing punch lists for projects completion and attend all walk-throughs.
- Coordinate and attend the training of staff on all systems including but not limited to mechanical, lighting, new equipment, etc. Verify that the Owner has been adequately trained in systems. Consider training that occurs over a period of time in lieu of too much information in too short of time.
- Coordinate and supervise the process for commissioning the facility to ensure all systems are working at peak efficiency.
- Coordinate transfer of stock supplies of materials to the Owner as indicated in the specs or construction agreement.
- Assist the Owner in the collection of all close-out documents and the acceptance of punch lists, Operational /Maintenance Manuals/Warranties, copies of construction drawings (including any as-builts or mark-ups by contractor during construction), specifications, shop drawings, construction directives, photos, and videos.
- Provide description of final budget with record of expenditures.
- Assist the Owner in acceptance and issuance of the final pay application and verify that the advertising for final payment and/or lien waivers has been completed.
- Oversee that all third-Party inspections are complete and all violations are corrected to allow for the issuance of a final certificate of occupancy (CO). If inspections are not complete and a building requires immediate occupancy and appropriate inspections indicate there are not life safety issues and a temporary certificate of occupancy (TCO) is issued, that prior to 90 days of issuance all inspections are complete to obtain a CO or a renewal of the TCO.
- Take necessary action such that proper inspections have been conducted, documented, and all permits are in place.
- Remediate issues as needed.

Assist the Owner During the Warranty Period:

- Assist the Owner with determining the warranty period. If an extended warranty is considered, assist the Owner with understanding the cost and value associated with extended warranties to evaluate if the Owner wants to consider for additional cost.
- Schedule the 11-month warranty walk through with the design team if the warranty is minimum of 1 year.
- Schedule the additional warranty walkthroughs as required (e.g., 23- month walk through).
- Assist the Owner with building issues/complaints and determine necessary steps to take to address these items. Address warranty items to confirm the requirements of the warranty are met.
- Provide status reports to the Owner summarizing progress, schedule and cost status, major decisions, changes and other key project information affected through the warranty period.

General Project Assistance:

- Coordinate and document communications with and among the City of Fernley, Design Team, Construction Team and other stakeholders
- Manage and document all project meetings
- Document and coordinate any request for information and the responses from the City of Fernley
- Document and coordinate any City of Fernley request for changes to project and responses from the Contractor
- Perform claim analysis and coordinate Construction payment requests
- Provide City of Fernley staff resource augmentation for professional support service.
- Provide bi-monthly project updates to the City of Fernley City Counsel throughout entire project.

The Owner's Representative/Construction Manager as Agent understands as an independent contractor of the City that they are obligated to comply with NRS 338.1718 and AB420 from the 2021 Session. The Contractor hereby agree to comply with those provisions while working with the City.

Cost of Services:

The total cost of services is \$602,232.00. Below is an itemized list of services recommended by Cumming for CRRC the project and associated fees:

- Design Phase, January 2022 - September 2022
 1. Project Director \$17,127
 2. Project Management \$70,065
- Construction Phase, October 2022 – November 2023
 1. Project Director \$27,270
 2. Project Management \$446,236
- Warranty Phase, December 2023
 1. Project Director \$1,960
 2. Project Management \$32,074

Also included in the total cost of the contract are Reimbursable Expenses of \$7,500. These include mileage or lodging for travel performed for project responsibilities, office supplies, mobile phones, and computers. The City will also provide office space, office furniture, copier/printer, and internet for the contractor at City Hall.

ARPA Funds Update for the Community Response & Resource Center Project:

On August 4, 2021, Fernley City Council approved the American Rescue Plan Act spending plan which included \$12,000,000 for the development of a Community Response & Resource Center (CRRC). ARPA State and Local Fiscal Recovery Funds allows for capital project/investments that respond to the COVID-19 public health emergency. On October 20, 2021, Fernley City Council approved the professional architect-engineering services for the CRRC to TSK Architects in the amount of \$2,168,170.00.

ARPA Project: Community Resource and Response Center		Amount
TSK Architects - Approved	Professional architect-engineering services including Pre-Design Services/Concepts; Schematic Design	\$2,168,170.00

Cumming Management Group, Inc.- Proposing	Phase Services; and Design Development Phase Services. Professional Owner's Representative/Construction Manager as Agent Services for the CRRC.	\$602,232.00
To Be Determine	Other eligible needs and requests will be presented to Council prior to expenditures	\$9,229,598.00
TOTAL		\$12,000,000.00

RECOMMENDATIONS:

Staff recommends City Council to approve the contract between the City of Fernley and Cumming Management Group, Inc for the Owner's Representative Construction Manager as Agent Services. The Owner's Representative/Construction Manager as Agent contract before City Council is to ensure there is a person/company who represents the City, owner of the future building/project, and focuses on evaluating the project from the City's perspective beginning at the earliest stages of planning and continuing through occupancy.

LEGAL IMPLICATIONS:

The City of Fernley must comply with Department of the Treasury, 31 CRF Part 35, Coronavirus State and Local Recovery Funds, NRS 338.1718 and AB410 from Nevada Legislative Session 2021.

FINANCIAL IMPLICATIONS:

The City of Fernley must comply with Department of the Treasury 2 CRF Part 200 and Sections 601 and 602 of the Social Security Act. On August 4, 2021, a formal expenditure plan was presented to the City Council for prior approval of ARPA fund expenditures. ARPA funds may be used to cover eligible costs incurred during the period that begins March 3, 2021, and ends on December 31, 2024, as long as the award funds for the obligations incurred by December 31, 2024 are expended by December 31, 2026. Any funds not expended by December 31, 2026 to cover such obligations must be returned.

ATTACHMENTS:

1. 2022.02 CRRC Owners Representative Construction Manager as Agent Contract
2. Attachment A - Scope of Work CMG Owners Rep CM
3. Attachment B - Fee Schedule CMG Owners Rep CM
4. Attachment C - Terms and Conditions
5. City of Fernley CM Services_Cumming Proposal

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THIS CONTRACT is made and entered into this 16th day of February 2022, _____, 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 Cumming Management Group Inc., a Construction and Project Management firm, whose address is 200 South Virginia Street, 8th Floor, Reno, NV 89501 _____ ("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 NUMBER: CMG-A1

2. 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.

3. 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

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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.

4. 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 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.
5. **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: Cumming Management Group, Inc.

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200 South Virginia Street, 8th Floor

Reno, NV 89501

6. 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.

7. 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.

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- 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 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;

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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).

8. **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.

9. **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.

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- 10. 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.
- 11. 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.
- 12. 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.
- 13. 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

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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.

- 14. 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.

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- 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

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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.**

- 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-

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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 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.

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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.

15. 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.

16. 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.

17. 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.

18. 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.

19. PROPRIETARY INFORMATION: Any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs,

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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.

20. 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.

21. 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.) The sub-grantee, contractor,

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subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this contract (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this contract or agreement.

- d. American Rescue Plan Act: The Contractor shall comply with all ARPA requirements and all required provisions to be adhered to in accordance with Federal Uniform Guidance. Costs incurred as a result of this contract shall only be for actions taken in response to the COVID-19 public health emergency, the impacts of COVID-19 on the community, residents and businesses and for the efforts to contain COVID-19. These expenditures shall be a direct response to the emergency and include but are not limited to addressing medical or public health needs, as well as expenditures incurred in response to second-order effects of the emergency.
 - i. This contract provides for the owner's representative/construction manager as agent professional services required to construct a Community Resource and Response Center will provide a venue for responding to the pandemic with the delivery of vaccines, testing, and other public health needs. Further, the Center will provide programs and resources that address the negative economic impacts from the pandemic including, but not limited to food insecurity, emergency shelter/quarantine, childcare, educational needs, and mental health support.
 - ii. The parties agree that timeliness of billing is of the essence to this Contract and recognize that the City is on a fiscal year. The parties further understand that all billing must be submitted by the 15th day of the subsequent month. Should contractor fail to submit timely bills, Contractor hereby agrees to be liable to the City for any costs of the project not covered by the ARPA Act due to contractor's negligence in billing. All billings for dates of service prior to July 1 must be submitted to the City no later than the first Friday in August of the same year. Contractor as a contractor shall also maintain the following for tracking purposes:
 - 1. Chart of accounts, written accounting procedures, internal and administrative controls, accounting journals and ledgers.

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2. Payment requests and source documentation (vendor invoices, bills of lading, purchase orders, payment vouchers, payrolls, bank statements and reconciliations); and
3. Financial statements, correspondence, and audit files.
4. In addition to these cost accounting and record-keeping requirements, contractors may also be expected to comply with the following list of required flow-down terms. These terms include:
 - a. Equal Employment Opportunity requirements.
 - b. Davis Bacon Act (40 U.S.C. §§ 3141-3148);
 - c. Anti-Kickback Act (40 U.S.C. § 3145);
 - d. Contract Work Hours and Safety Standards (40 U.S.C. §§ 3701-3708) as supplemented by the Department of Labor regulations (29CFR Part 5);
 - e. Rights to Inventions Made Under a Contract or Agreement (37 C.F.R. Part 401);
 - f. Clean Air Act (42 U.S.C. §§ 7401-7671q) and Water Pollution Control Act (33 U.S.C. §§ 1251-1387);
 - g. Debarment and Suspension (Executive Orders 12549 and 12689);
 - h. Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352);
 - i. Procurement of recovered materials (2 C.F.R. § 200.323) (pursuant to section 6002 of the EPA's Solid Waste Disposal Act);
 - j. Prohibition on certain telecommunications and video surveillance services or equipment (2 C.F.R. § 200.216); and
 - k. Domestic preferences for procurements (2 C.F.R. § 200.322).
- e. Failure to comply with ARPA and other federal, state or local requirements may result in the City of Fernley taking one of the following actions:
 - i. Temporarily withholding cash payments pending correction of the deficiency or more severe enforcement action by the Federal awarding agency;
 - ii. Denying both use of funds and any applicable matching credit for all or part of the cost of the activity or action not in compliance;
 - iii. Wholly or partly suspending or terminating the contract;
 - iv. Initiating suspension or debarment proceedings;
 - v. Requesting reimbursement for ineligible costs;
 - vi. Withholding further funds for the project or program; or

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vii. Taking other remedies that may be legally available.

- 22. 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.
- 23. CERTIFICATION REQUIRED BY NRS 332.065 and NRS 286.737** 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.
- 24. 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.
- 25. 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.
- 26. 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

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A Contract for Professional Services

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.

- 27. 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.
- 28. 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.
- 29. 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.
- 30. 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.
- 31. 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

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that are necessary and appropriate to give full force and effect to the terms and intent of this Contract.

32. **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.
33. **NRS 338.1718 AND AB410 FROM THE 2021 SESSION**: We understand as an independent contractor of the City that we are obligated to comply with NRS 338.1718 and AB410 from the 2021 Session. We hereby agree to comply those provisions while working with the City.
34. **ATTACHMENT C: TERMS AND CONDITIONS**: We understand as an independent contract of the City that we are obligated to comply with the Terms and Conditions in Attachment C.

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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:

Department Head Date

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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: Chris Thompson

TITLE: Senior Vice President, PM

FIRM: Cumming Management Group, Inc.

BUSINESS LICENSE #:

Address: 200 South Virginia Street, 8th Floor

City: Reno State: NV Zip Code: 89501

Telephone: 916-747-7333 Fax #:

E-mail Address: khillmer@cumming-group.com

(Signature of Contractor)

DATED this _____ day of _____, 20__.

STATE OF _____)
County of _____) ss

On this _____ day of _____, in the year 20__, before me, _____ / Notary Public, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged that he executed it.

WITNESS my hand and official seal.

Notary's Signature

My Commission Expires: _____

ATTACHMENT A – SCOPE OF WORK
OWNER’S REPRESENTATIVE CONSTRUCTION MANAGER AS AGENT

A. The following professional services are required for the Community Response and Resource Center project:

Assist with Schematic Design:

- 2.A.1. Review Owner’s master plan and all other City supplied planning materials. Review scope/ program and costs and understand the Owner’s goals for the project(s). Note allowances, owner soft costs, escalation, and any other specific line items as they relate to the entire project and budget
- 2.A.2. Assist City of Fernley Staff as required with preparation and maintenance of the Project Management Plan including the Construction Management Plan and the Risk Management Plan
- 2.A.3. Establish Owner’s Representative as the central point of contact for coordinating all project activities including process for approvals, maintenance of project records, responses to inquiries from consultants, suppliers and contractors, transfer of information to decision makers, coordination of project information flow and progress reports to the Owner, and general public as required.
- 2.A.4. Co-ordinate with the design team throughout the design phases and create progress reports to be delivered to Owner. Provide appropriate feedback to the design team.
- 2.A.5. Maintain a Master Program Budget to be tracked from start to completion of the project. Maintain accountability to the budget, assist the Owner with monitoring, allocation of funding sources, identify cost savings and design options/products, maintain and review project costs to confirm that the project is designed within the budget and to avoid value engineering at the end of the design process. Serve as liaison with City staff in all budget matters. Owner's Representative is to maintain, track and coordinate use of any projects reserve accounts with the Owner. At no time should the reserve account be used for project expenses unless approved by the Owner
- 2.A.6. Compile and update Master Schedule milestones for all design phases, design review, bidding activities, purchase of major equipment, lead times for fixtures and equipment, coordination of activities outside construction, and coordination of key decision points with Owner. Insure that these project milestones are accounted for in project contract documents.
- 2.A.7. Assist the Owner with developing/ implementing and coordinating technology needs. Assist with the selection of consultants and vendors.
- 2.A.8. Schedule and attend all design review meetings and review the design professional’s agenda and minutes for accuracy and correct any errors within such documents.
- 2.A.9. Provide weekly and monthly status reports to the Owner summarizing progress, schedule and cost status, major decisions, changes, and other key project information.

ATTACHMENT A – SCOPE OF WORK
OWNER’S REPRESENTATIVE CONSTRUCTION MANAGER AS AGENT

- 2.A.10. Assist the Owner in their review and approval of schematic design.

Assist with Design Development:

- 2.A.11. Assist with selection of consultants through a qualifying and selection process that are not traditionally part of an architect/engineer/general contractor’s consultant team but will have contracts with Owner, such as environmental, third party testing and inspections, FF&E, technology, etc.
- 2.A.12. Identify all State and Local agencies that will be utilized during the review process and oversee the submittal process. This will include coordination of all road improvements/ site development requirements with State and Local agencies.
- 2.A.13. Initiate project review of drawings/specs and cost estimate with Owner for review prior to proceeding to Construction Documents. This includes consulting with the Owner on issues which impact the constructability and feasibility of the project.
- 2.A.14. Participate in value engineering exercises and evaluate proposed building design systems as to quality, first cost and life cycle cost, constructability, and availability.
- 2.A.15. Review all applications for payment from Owner’s consultants, designers, and engineers and provide recommendations to Owner for approval/revision/rejection.
- 2.A.16. Coordinate schedule, submittals, and review by utility agencies.

Assist with Construction Documents:

- 2.A.17. Assist and coordinate project submittals and deadlines for agency reviews.
- 2.A.18. Orchestrate and assist the Owner in the review of construction documents/specifications and cost estimates for approval of construction documents.
- 2.A.19. Coordinate acceptance of the Construction Documents and finalize pricing.
- 2.A.20. Assist City of Fernley with solicitation and selection of 3rd party entity for Building permit review and approval.

Assist with the Bidding Process:

- 2.A.21. Coordinate with agencies affected.
- 2.A.22. Coordinate and review any modifications to pricing with the Owner.

Oversee Construction Process:

- 2.A.23. Monitor safety compliance with all Federal/State/Local requirements (not limited to OSHA, EPA, and EEO) thru the CMAR.
- 2.A.24. Coordinate moving and storage of equipment and furnishings as necessary.
- 2.A.25. Assist with placement of construction trailers, fences, signage, staging areas, and construction traffic zones.

ATTACHMENT A – SCOPE OF WORK
OWNER’S REPRESENTATIVE CONSTRUCTION MANAGER AS AGENT

- 2.A.26. Attend Construction Meetings as established (weekly or bi-weekly).
- 2.A.27. Create materials for the City to distribute to their staff and local neighbors indicating construction timeframes, rules during construction, and what to expect.
- 2.A.28. Review construction progress as provided in construction management programs and take necessary action such that weekly minutes are accurate (including but not limited to construction progress, cost concerns, schedule, and outstanding issues). Serve as distributor of progress reports.
- 2.A.29. Review construction schedule and any impacts due to delays; advise Owner with regards to recovery schedules as required.
- 2.A.30. Advise the Owner on issues including construction costs, schedule, coordination, and owner occupancy. Notify Owner if there is deviation from project progress.
- 2.A.31. Coordinate and document that inspections and testing reports take place as required. Review reports to take necessary action such that deficiencies are addressed. Coordinate with the Owner and CMAR reports during the week and weekend.
- 2.A.32. Photograph construction progress. Provide observations regarding quality of workmanship, conformity to plans and specs. Address corrective measures to mitigate and correct non-conforming workmanship per the Contract Documents as identified by the Architect or Contractor. Notify the Owner of non-conforming work with the Contract Documents. O/R to coordinate with all consultants/ vendors responsible for the non-conforming work to implement a corrective solution.
- 2.A.33. Participate as part of the communications and distribution of construction directives including, but not limited to RFI, PCO, ASI actions.
- 2.A.34. Assist the Owner in the review of pending Change Orders and notify the Owner of such. The O/R should review with the design team the proposed scope and costs assigned with the pending change order prior to reviewing with the Owner. This includes the work of design professionals and specialty consultants and contractors.
- 2.A.35. Resolve any disputes or claims prior to final approval or denial of a Change Order.
- 2.A.36. Review appropriateness of each pay application with the design team and take necessary action such that lien/claim releases are executed and included with all pay applications and all disputes or claims are resolved prior to approval of a pay application.
- 2.A.37. Solicit and receive bids, coordinate delivery and installation for Owner purchased items which are contracted through the Owner including but not limited to FF&E.
- 2.A.38. Assist with scheduling and implementation of technology and security as it applies to the project(s).
- 2.A.39. Assist the Owner with any concerns and/or complaints by staff, community members, and parents during construction.

ATTACHMENT A – SCOPE OF WORK
OWNER'S REPRESENTATIVE CONSTRUCTION MANAGER AS AGENT

- 2.A.40. Develop and maintain project files to include a record copy of all contracts, drawings, specifications, addenda, change orders and drawing modifications, shop drawings, product data and samples, handbooks, manuals and instructions and related materials for Owner's FF&E. Confirm that design professionals and construction manager supply these critical documents as well as documentation of all required testing and quality control inspections.
- 2.A.41. Provide weekly/monthly status reports to the Owner summarizing progress, schedule and cost status, major decisions, changes and other key project information.

Assist with the Close-Out of the Project:

- 2.A.42. Coordinate moving of new/stored furnishings and equipment into the completed facilities, if required.
- 2.A.43. Take necessary actions such that there is a seamless handover of projects to the Owner.
- 2.A.44. Develop the protocol and conduct a comprehensive final inspection of the project to verify that the materials furnished and work performed are in accordance with the contract documents. Schedule and assist the Owner in developing punch lists for projects completion and attend all walk-throughs.
- 2.A.45. Coordinate and attend the training of staff on all systems including but not limited to mechanical, lighting, new equipment, etc. Verify that the Owner has been adequately trained in systems. Consider training that occurs over a period of time in lieu of too much information in too short of time.
- 2.A.46. Coordinate and supervise the process for commissioning the facility to ensure all systems are working at peak efficiency.
- 2.A.47. Coordinate transfer of stock supplies of materials to the Owner as indicated in the specs or construction agreement.
- 2.A.48. Assist the Owner in the collection of all close-out documents and the acceptance of punch lists, Operational /Maintenance Manuals/Warranties, copies of construction drawings (including any as-builts or mark-ups by contractor during construction), specifications, shop drawings, construction directives, photos, and videos.
- 2.A.49. Provide description of final budget with record of expenditures.
- 2.A.50. Assist the Owner in acceptance and issuance of the final pay application and verify that the advertising for final payment and/or lien waivers has been completed.
- 2.A.51. Oversee that all third-Party inspections are complete and all violations are corrected to allow for the issuance of a final certificate of occupancy (CO). If inspections are not complete and a building requires immediate occupancy and appropriate inspections indicate there are not life safety issues and a temporary certificate of occupancy (TCO) is issued, that prior to 90 days of issuance all inspections are complete to obtain a CO or a renewal of the TCO.
- 2.A.52. Take necessary action such that proper inspections have been conducted, documented, and all permits are in place.

ATTACHMENT A – SCOPE OF WORK
OWNER’S REPRESENTATIVE CONSTRUCTION MANAGER AS AGENT

2.A.53. Remediate issues as needed.

Assist the Owner During the Warranty Period:

- 2.A.54. Assist the Owner with determining the warranty period. If an extended warranty is considered, assist the Owner with understanding the cost and value associated with extended warranties to evaluate if the Owner wants to consider for additional cost.
- 2.A.55. Schedule the 11-month warranty walk through with the design team if the warranty is minimum of 1 year.
- 2.A.56. Schedule the additional warranty walkthroughs as required (e.g., 23- month walk through).
- 2.A.57. Assist the Owner with building issues/complaints and determine necessary steps to take to address these items. Address warranty items to confirm the requirements of the warranty are met.
- 2.A.58. Provide status reports to the Owner summarizing progress, schedule and cost status, major decisions, changes and other key project information affected through the warranty period.

General Project Assistance:

- 2.A.59. Coordinate and document communications with and among the City of Fernley, Design Team, Construction Team and other stakeholders
 - 2.A.60. Manage and document all project meetings
 - 2.A.61. Document and coordinate any request for information and the responses from the City of Fernley
 - 2.A.62. Document and coordinate any City of Fernley request for changes to project and responses from the Contractor
 - 2.A.63. Perform claim analysis and coordinate Construction payment requests
 - 2.A.64. Provide City of Fernley staff resource augmentation for professional support service.
 - 2.A.65. Provide bi-monthly project updates to the City of Fernley City Counsel throughout entire project.
- B. Proposers should be prepared to begin Owners Rep services defined by this RFP on January 20, 2022. The Design aspects of the project are to be completed by the end of September, 2022.
- C. NRS 338.1718 AND AB410 from the 2021 Session. We understand as an independent contractor of the City that we are obligated to comply with NRS 338.1718 and AB410 from the 2021 Session. We hereby agree to comply with those provisions while working with the City.

ATTACHMENT B – FEE SCHEDULE
OWNER’S REPRESENTATIVE CONSTRUCTION MANAGER AS AGENT

- **Provide fees as lump sum cost.**

Lump Sum Cost - \$594,732

- **Provide itemized list of services recommended for project scope and associated fees.**

Design Phase, January 2022 – September 2022

Project Director - \$17,127

Project Management - \$70,065

Construction Phase, October 2022 – November 2023

Project Director - \$27,270

Project Management - \$446,236

Warranty Phase, December 2023

Project Director - \$1,960

Project Management - \$32,074

Recommended allowance - \$20,000 (not included in lump sum or itemizations above)

Cost estimating above and beyond review/compare CMAR and architect estimates

Schedule analysis above and beyond review of CMAR schedule

- **Provide list of potential reimbursable expenses and an estimated cost based on previous projects of this size.**

List of potential reimbursable expenses & estimated cost (EXCLUDED FROM LUMP SUM PRICE ABOVE)

Estimated cost = \$7,500

Potential reimbursable expenses

Mileage or lodging for travel performed for project responsibilities

Office supplies

Mobile phones

Computers

Assumptions/clarifications

Proposal assumes that office space, office furniture, copier/printer and internet will be provided by
City of Fernley

- **Provide hourly rates for expected personnel**

Project Director – \$235.00

Sr. Project Manager – \$180.00

Asst. Project Manager – \$145.00

Sr. Scheduler – \$195.00

Scheduler – \$165.00

Cost Management Director – \$195.00

Senior Cost Manager – \$175.00

Cost Manager – \$160.00

U.S. DEPARTMENT OF THE TREASURY
CORONAVIRUS LOCAL FISCAL RECOVERY FUND
AWARD TERMS AND CONDITIONS

1. Use of Funds.
 - a. Recipient understands and agrees that the funds disbursed under this award may only be used in compliance with section 603(c) of the Social Security Act (the Act), Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
 - b. Recipient will determine prior to engaging in any project using this assistance that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of such project.
2. Period of Performance. The period of performance for this award begins on the date hereof and ends on December 31, 2026. As set forth in Treasury's implementing regulations, Recipient may use award funds to cover eligible costs incurred during the period that begins on March 3, 2021, and ends on December 31, 2024.
3. Reporting. Recipient agrees to comply with any reporting obligations established by Treasury as they relate to this award.
4. Maintenance of and Access to Records
 - a. Recipient shall maintain records and financial documents sufficient to evidence compliance with section 603(c) of the Act, Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
 - b. The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Recipient in order to conduct audits or other investigations.
 - c. Records shall be maintained by Recipient for a period of five (5) years after all funds have been expended or returned to Treasury, whichever is later.
5. Pre-award Costs. Pre-award costs, as defined in 2 C.F.R. § 200.458, may not be paid with funding from this award.
6. Administrative Costs. Recipient may use funds provided under this award to cover both direct and indirect costs.
7. Cost Sharing. Cost sharing or matching funds are not required to be provided by Recipient.
8. Conflicts of Interest. Recipient understands and agrees it must maintain a conflict of interest policy consistent with 2 C.F.R. § 200.318(c) and that such conflict of interest policy is applicable to each activity funded under this award. Recipient and subrecipients must disclose in writing to Treasury or the pass-through entity, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112.

9. Compliance with Applicable Law and Regulations.

- a. Recipient agrees to comply with the requirements of section 603 of the Act, regulations adopted by Treasury pursuant to section 603(f) of the Act, and guidance issued by Treasury regarding the foregoing. Recipient also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Recipient shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this award.
- b. Federal regulations applicable to this award include, without limitation, the following:
 - i. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.
 - ii. Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.
 - iii. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.
 - iv. OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180, including the requirement to include a term or condition in all lower tier covered transactions (contracts and subcontracts described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury's implementing regulation at 31 C.F.R. Part 19.
 - v. Recipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.
 - vi. Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
 - vii. New Restrictions on Lobbying, 31 C.F.R. Part 21.
 - viii. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.
 - ix. Generally applicable federal environmental laws and regulations.
- c. Statutes and regulations prohibiting discrimination applicable to this award include, without limitation, the following:
 - i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;

- ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
 - iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
 - iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
 - v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.
10. Remedial Actions. In the event of Recipient's noncompliance with section 603 of the Act, other applicable laws, Treasury's implementing regulations, guidance, or any reporting or other program requirements, Treasury may impose additional conditions on the receipt of a subsequent tranche of future award funds, if any, or take other available remedies as set forth in 2 C.F.R. § 200.339. In the case of a violation of section 603(c) of the Act regarding the use of funds, previous payments shall be subject to recoupment as provided in section 603(e) of the Act.
11. Hatch Act. Recipient agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.
12. False Statements. Recipient understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or contracts, and/or any other remedy available by law.
13. Publications. Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by federal award number [enter project FAIN] awarded to [name of Recipient] by the U.S. Department of the Treasury."
14. Debts Owed the Federal Government.
- a. Any funds paid to Recipient (1) in excess of the amount to which Recipient is finally determined to be authorized to retain under the terms of this award; (2) that are determined by the Treasury Office of Inspector General to have been misused; or (3) that are determined by Treasury to be subject to a repayment obligation pursuant to section 603(e) of the Act and have not been repaid by Recipient shall constitute a debt to the federal government.
 - b. Any debts determined to be owed the federal government must be paid promptly by

Recipient. A debt is delinquent if it has not been paid by the date specified in Treasury's initial written demand for payment, unless other satisfactory arrangements have been made or if the Recipient knowingly or improperly retains funds that are a debt as defined in paragraph 14(a). Treasury will take any actions available to it to collect such a debt.

15. Disclaimer.

- a. The United States expressly disclaims any and all responsibility or liability to Recipient or third persons for the actions of Recipient or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any contract, or subcontract under this award.
- b. The acceptance of this award by Recipient does not in any way establish an agency relationship between the United States and Recipient.

16. Protections for Whistleblowers.

- a. In accordance with 41 U.S.C. § 4712, Recipient may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.
- b. The list of persons and entities referenced in the paragraph above includes the following:
 - i. A member of Congress or a representative of a committee of Congress;
 - ii. An Inspector General;
 - iii. The Government Accountability Office;
 - iv. A Treasury employee responsible for contract or grant oversight or management;
 - v. An authorized official of the Department of Justice or other law enforcement agency;
 - vi. A court or grand jury; or
 - vii. A management official or other employee of Recipient, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct.
- c. Recipient shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

17. Increasing Seat Belt Use in the United States. Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 18, 1997), Recipient should encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

18. Reducing Text Messaging While Driving. Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), Recipient should encourage its employees, subrecipients, and contractors to adopt and enforce policies that ban text messaging while driving, and Recipient should establish workplace safety policies to decrease accidents caused by distracted drivers.



City of Fernley

Owner's Representative/Construction Management Services for
the City of Fernley Community Response and Resource Center

December 23, 2021

Building Value Through Expertise

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We strongly believe that our role is to implement the vision of our client.

Section

A



Cover Letter

December 23, 2021

Attention: Daphne Hooper
City of Fernley, Nevada
595 Silverlace Blvd.
Fernley, NV 89408.
dhooper@CityofFernley.org

Re: Request for Proposals to Provide Owner's Representative/Construction Management Services for the Design and Construction Phases of the City of Fernley Community Response and Resource Center

Dear Ms. Hooper,

On behalf of Cumming Management Group, Inc. (Cumming), I am pleased to present our qualifications and proposal to the City of Fernley (the City) to provide owner's representative and construction management services for the design and construction phases of the Community Response and Resource Center (CRRC) project. Our team has had the opportunity to collaborate with TSK Architects on other projects and would look forward to the opportunity to continue that working relationship for the City. Due to our extensive experience with similar projects, our team brings the following benefits to this project:

Recognized Excellence. Since 1996, Cumming has become a recognized leader in providing high quality professional construction management services, evidenced by our recognition for the last 13 years amongst *Engineering News Record's* Top 40 Construction Management-for-Fee firms in the U.S. and ranked 7th in *Building Design + Construction's* listing of the nation's top 75 construction managers. Cumming's corporate values of client focus, commitment to team members, integrity, quality, and ethics, as well as our 95% repeat business rate, exemplify our commitment to excellence.

A history of demonstrated success. As a construction manager, Cumming has helped our clients manage multi-million-dollar projects from conception to closeout. We have provided similar services for numerous public agencies across the country, including the Washoe County School District, Renown Health, and Tahoe Truckee Unified School District, along with many other municipal, county, state, and federal entities. With this breadth of experience, we are well-versed in responding quickly to owners' needs and efficiently allocating our best available resources in order to successfully deliver the City's projects on time and on budget.

Mobilization of Highly Qualified Professionals. We are committed to putting forth our best efforts to fulfill the City's construction management needs. Our proposed team members are experts in their proposed roles and will be supported by a talented team of professionals who possess both individual and collective experience working with Nevada municipal clients over the last decade. Our project leadership is among the strongest in the industry, led by **Project Director - Kristin Hillmer** and **Sr. Project Manager - Michael Allen**, and brings successful experience working with TSK Architects.

After reviewing our enclosed proposal and qualifications, if you have any questions or concerns, please do not hesitate to contact me.

Sincerely,
Cumming Management Group, Inc.



Chris Thompson, Sr. Vice President

**Authorized to negotiate on behalf of Cumming and to bind the firm to all commitments made for this project.*

Section

B



Required
Company Data

Section 1 Required Company Data

Established in 1996, Cumming is an industry leader in providing project and construction management, cost estimating, scheduling, quality control, and other related services. Founded to provide project owners with reliable, expert consultants who represented their best interests, we have grown to become one of the most respected consulting firms in the United States. Our approach to each project is simple: we utilize local talent who understand the nuances and requirements specific to the location, and we support them with the full expertise and resources of our international in-house team.

Cumming is one of the nation's fastest-growing providers of construction management and inspection services. By offering our clients excellent service and successful outcomes, we have experienced consistent growth throughout our history. Now, in our 25th year in business, Cumming has 1,100+ employees in 36 offices worldwide.

Company Data

Company Name: Cumming Management Group, Inc. (Cumming)

Contact Name: Kristin Hillmer, Senior Director, Project Director

Company Address: 200 South Virginia Street, 8th Floor, Reno, NV 89501

Phone Number: 916.747.7333

Tax Id #: 20-8782096

Number of Years in Business: 25 years

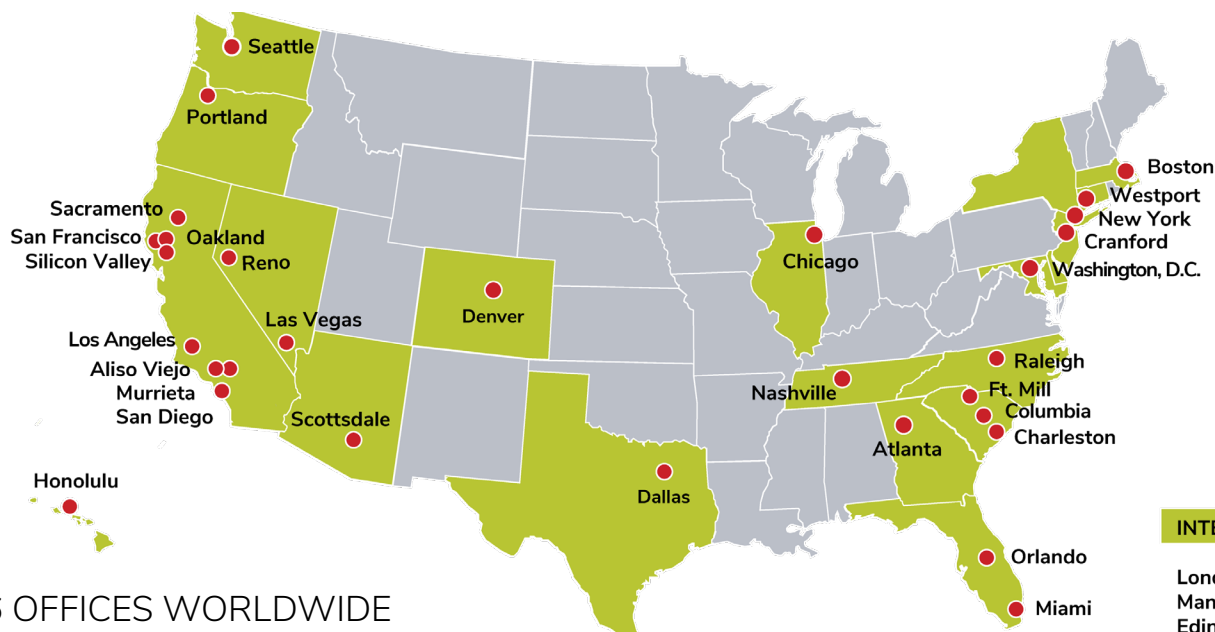
Contact Email Address: khillmer@cumming-group.com

Website Address: cumming-group.com

Name of person who would be "Contractor Representative" on any awarded contract: Kristin Hillmer, Project Director

Name and title of person legally authorized to bind Contractor/sign contract: Chris Thompson, Senior Vice President, PM

OUR OFFICE LOCATIONS



INTERNATIONAL OFFICES

London, UK (2)
Manchester, UK
Edinburgh, UK
Stoke-on-Trent, UK
Beijing, China

Section

C



Business
References

Section C Business References

List a minimum of three current business references you have recently provided similar services to, including:

References for Cumming Projects

Business Name/Client	Tahoe Truckee Unified School District
Address	11603 Donner Pass Road, Truckee, CA 96161
Contact Name	Jorge Rojas - Director of Facilities, Maintenance and Operations
Phone Number	(o) 530.582.2545 x 20550
Email Address	jrojas@ttusd.org
Scope of Project (SF/\$)	51K SF / \$36MM
Project Dates	June 2017 - August 2020
Services	Owner's representation for renovations and additions to an existing elementary school, a CM + Multi-Prime project. Cumming managed the Construction Manager, the prime contractors, the design team and all 3rd party consultants.

Business Name/Client	Washoe County School District
Address	425 E. 9th Street, Reno, NV 89512
Contact Name	Tony McMillen, P.E. - Director of Construction and Project Management
Phone Number	(o) 775.789.3823
Email Address	tmcmillen@washoeschools.net
Scope of Project (SF/\$)	181K SF / \$74MM
Project Dates	December 2020 - August 2022
Services	Owner's representation for a replacement middle school on the existing, active campus. Cumming supervises the CMAR and design team, provides schedule review.

Business Name/Client	Renown Health Master Plan
Address	1155 Mill Street - H2, Reno, NV 89502
Contact Name	Steve Horn - Vice President of Real Estate & Facility Support Services
Phone Number	(o) 775.982.4943
Email Address	steve.horn@renown.org
Scope of Project (SF/\$)	200K SF / \$290M
Project Dates	October 2020 – December 2023
Services	Owner's representation for renovations and additions at 2 medical center campuses in Reno including administration of the CMAR RFP, value engineering to budget, development of the GMP, and turnkey management of the construction process (starting January 2022).

Section

D



Approach Overview

Section D Statement of Qualifications

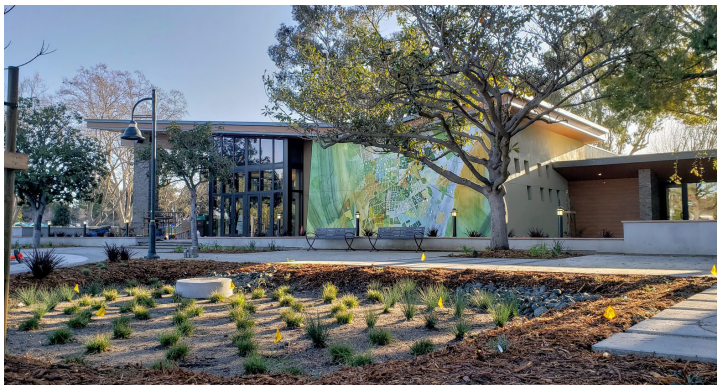
Provide, at a minimum, each of the following:

6.D.1 Succinct description of value adding services we think City of Fernley desires

Cumming will provide turnkey management of the design and construction process, managing the details and consulting with the City only for critical decisions while keeping the City staff informed of project progress and issues.

Cumming has provided construction management services for dozens of municipalities and public agencies across Northern California and Nevada on work ranging from smaller capital maintenance projects and as-needed/on-call contracts all the way to multi-billion-dollar building programs. **Our approach to providing services is based on the idea that we work for you: everything we do is on your behalf and in your best interest.**

We are aware that this project will be partially funded with ARPA and while this funding is relatively new, we have worked with clients using federal, state or bond funds and are familiar with deadlines and documentation that may be required.



Mountain View Community Center, Mountain View, CA

Cumming provided complete Program and Construction Management for an \$18 million LEED Silver City Community Center with new ground-up construction and renovations to existing building, including: large community room; roads, parking, infrastructure and new stop light installation; day care center with outdoor children's play area; walking paths and picnic areas; complete new landscaping and lighting for park areas.

Project Value: \$18,300,000

Year Completed: Spring 2019

6.D.2 Firm Background of your Organization

Cumming was founded on June 1, 1996 to provide project owners with construction, project, and cost management services. Founded by Finlay Cumming, who still serves the company today as Executive Chairman, we are a privately-held California corporation. Now, after over 25 years in business, we are an industry leader in construction and cost management, owner's representation, as well as planning and scheduling. In fact, we are recognized and ranked as one of the very best project/construction management firms in the region and the nation, all while maintaining our independence and individualized level of service. This allows us to focus on what we do best: delivering projects on schedule and within budget, to the lasting satisfaction of our clients.

6.D.3 Description of the organization's mission and basic philosophies

Cumming's philosophy is "Manage each project like we own it." We create value for our clients through our proven expertise and build lasting relationships based on trust, reliability, and results. Cumming provides its services to public agencies as an owner's representative; we work collaboratively and transparently with client stakeholders to deliver services that achieve our client's goals and objectives. Our core values are:

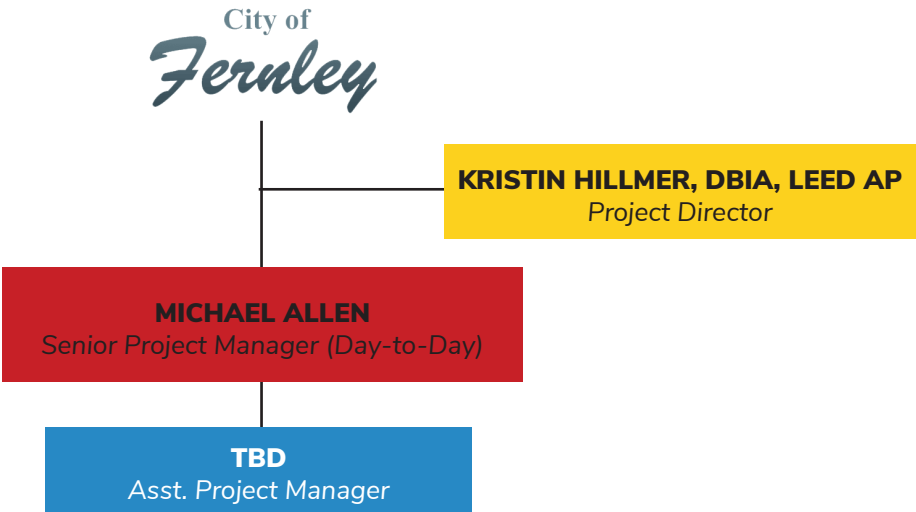
- **Client Focus** is central to who we are and is a fundamental component of our success. We listen to our clients and provide services and solutions that meet their needs.
- **Team Members** are the life and blood of our organization. It has always been the combined experience and effort of our team members that has made Cumming successful. Knowing this, we hire only the very best people.
- **Integrity** is more than just operating within the parameters of the law: It is also about being ethical and moral. As one team member put it, "It not only has to be right, it also has to look and feel right." At Cumming, integrity is about treating people and companies the way we want to be treated. It is about doing what we say we are going to do and following through. Simply stated, we do the right thing, always.
- **Quality** has been, and will always be, our core differentiator. We have a culture of continuous improvement, whereby our collective progress as a company is achieved through the ongoing personal growth of our team members.



6.D.4 Company organizational chart with names, titles and responsibilities

Proposed Personnel

Our proposed team structure is organized to provide the City of Fernley with the greatest value, flexibility, and expertise working with multiple stakeholders, from procurement and to post-construction. Our team will work closely with your staff and facilities group. We have selected team members to support the daily efforts of our project in key personnel roles, as well as in supporting resource roles. The team organizational chart can be found below.



HIGH-LEVEL STAFFING PLAN AND RESPONSIBILITIES	
Michael Allen Sr. Project Manager	Michael will be the day to day point person and on-site CM. During the design phase, he will oversee and document the design progress, manage the project master schedule, review project estimates and assist with planning and procurement activities. During construction, he will act as the main point of contact for the CMAR including review of logistics plans, schedules, change orders, pay apps and safety protocol. Michael will also assist with procurement of owner furnished items and communication with the community and City staff.
TBD Asst. Project Manager	The APM will support Michael with project reporting and organization, as well as provide photo documentation and tracking of corrective measures.
Kristin Hillmer, DBIA, LEED AP Project Director	Kristin is responsible for the overall delivery of the Cumming project team. She will be heavily involved in the initiation stages of the project and will support the project team in the completion of their duties.

6.D.5 Description of projects the organization typically performs

Our project experience includes the completion of more than \$18 Billion dollars worth of projects for cities or public agencies, bringing extensive experience and in-house knowledge to your project. Through our experience, we have honed our approach to provide top-notch construction management services, including everything from comprehensive construction management to cost management/estimating, scheduling, energy consulting, dispute resolution and avoidance services, and more. We have the unique ability to offer not only comprehensive project and construction management, but also à la carte services at any stage of project development.

Below, we have included highlights of public sector clients and projects that share similar components to your Community Response and Resource Center project.

Mountain View Community Center, Mountain View, CA

Cumming provided complete Program and Construction Management for an \$18 million LEED Silver City Community Center with new ground-up construction and renovations to existing building, including: large community room; roads, parking, infrastructure and new stop light installation; day care center with outdoor children's play area; walking paths and picnic areas; complete new landscaping and lighting for park areas.

Project Value: \$18,300,000

Year Completed: Spring 2019

Tahoe Truckee Unified School District, Tahoe Lake Elementary School, Tahoe, CA

Owner's representation for renovations and additions to an existing elementary school, a CM + Multi-Prime project. Cumming managed the Construction Manager, the prime contractors, the design team and all 3rd party consultants.

Project scope included replacing modular buildings with new construction for classrooms, new administration, and modernization of existing buildings to include classrooms, common areas, ADA access compliance, technology upgrades, and mechanical upgrades. Site work included parking lot upgrades, upgrades to site utilities, exterior lighting, play structures and fencing.

Project Size/Value: 51K SF / \$36MM

Year Completed: August 2020

Washoe County School District, O'Brien Middle School

Owner's representation for a replacement middle school on the existing, active campus. Cumming supervises the CMAR and design team, and provides schedule review services.

Project Size/Value: 181K SF / \$74MM

Year Completed: August 2022



RECENT CM EXPERIENCE WITH PUBLIC SECTOR CLIENTS

City of Mountain View
Pajaro Valley Unified School District
UC Santa Cruz
City of Arcadia
City of Claremont
City of Glendale
City of Long Beach
City of Los Angeles
City of Pomona
City of San Clemente
City of San Diego
City of Santa Monica
County of Los Angeles
County of San Bernardino
Edward J. Schwartz Federal Building
GSA Edward R. Roybal Federal Building
LA County Metropolitan Transportation Authority
Mountains Recreation and Conservation Authority
Orange County Public Works
Santa Monica Pier

6.D.6 Description of the organization's knowledge and experience base

The following table outlines our full suite of services and reflects our unique ability to offer not only comprehensive project and cost management, but also à la carte services at any stage of project development. This approach — mixing custom flexibility with the full capabilities of our company — ensures you are getting exactly the services they need and want, exactly when they need and want them. Please note that not all services are included in this proposal.

Comprehensive + Integrated Services

	Planning	Design	Construction	Close-Out/Post-Construction
Program, Project + Construction Management	- Project scope development - Feasibility studies - Entitlements - Project delivery consulting - Consultant procurement	- Design criteria development - Design management - Sustainability consulting - Constructability reviews - Value analysis - Risk management	- Bid facilitation - Change management - Quality assurance - Contract administration - QA/QC status meetings - Schedule management	- FF+E coordination - Punchlist facilitation - Move management - Lessons learned - Expert testimony
Schedule Management	- Master scheduling/ budgeting - Schedule scenarios - Phasing + logistics - Project cost-loading	- Risk analysis (QRA) 4D + 5D modeling - Design + construction scheduling	- Earned value + monitoring - Schedule risk mitigation - Resource analysis + schedule controls / Div 1	- Audit - Expert testimony - Commissioning schedule management
Cost Management + Estimating	- Market studies - Feasibility analysis - Target cost modeling - Contingency analysis	- Life cycle cost analysis - Sustainability cost analysis - Quantity takeoffs - Milestone estimating - Value engineering - Risk analysis (QRA)	- Bid review - GMP negotiation - Continuous cost management - Change order reviews - Payment application reviews - Payment services application reviews - Project monitoring / lender services	- Final change order approvals - Final payment reviews - Benchmarking - Asset tagging - Project + cost auditing
Program + Project Controls	- Controls systems design - Controls systems integration - Processes + procedures - Budget forecasting - Team communications	- Design status reporting - Budget monitoring - Milestone scheduling	- Cash flow monitoring - Cash flow reporting - Earned value reporting - Document, cost, schedule controls	- Closeout reporting - Document archiving - Financial closeout
Energy + Sustainability Services	- Benchmarking - Energy audits - Renewable energy (Solar PV) - Sustainability master planning - Electric vehicle (EV) planning - Climate action plans	- Design review (energy codes) - Life cycle cost analysis - Third-party financing - Revolving green funds - Commissioning plan - Building certification (LEED, ENVISION, WELL)	- LEED certification (or other standard) - Utility incentives + rebates - Commissioning	- Retro-commissioning - GHG reporting - Operations + maintenance GPRO training - Environmental management systems (ISO 14001)

6.D.7 Description of the organization's philosophical approach to Owner's Representative/Construction Management services

Cumming specializes in construction management. We have provided a diverse set of clients the highest level of our service offerings; our roles and responsibilities are fully determined by the City of Fernley's needs. Cumming is 100% dedicated to protecting our client's interests through all phases of the design and construction, while understanding that a successful project is one that allows all involved entities to be successful. Cumming aims to assist the project as a whole through integration into your current staff, the selected design professionals, contractors, and consultants for the program.

Cumming's project specific construction management plan (CMP) will offer a defined approach to take the project from its current state through completion of all construction, closeout, and initial occupancy activities. The critical factors to successful projects include:

- Well-defined goals and milestones
- Extensive, thorough early planning
- Good leadership, management, and supervision
- Positive and effective relationship with end-users, CMAR, subcontractors, design professionals and consultants.
- Proper project team chemistry
- Quick response to changes/adaptive to potential funding changes or requests

Our proven management work plan incorporates each of these critical success factors. Municipal projects and programs comprised of renovations, additions, and new construction not only require a tremendous dollar investment but also a great deal of planning, design, and management to see projects through from the moment the first funds are available to the day they are completed.

COST AND SCHEDULE CONTROL

We will regularly evaluate the progress of the construction contract to forecast potential budget and schedule variances. The Cumming cost and schedule reporting will identify problems and proposed solutions: including schedule and cost status and show time and cost to complete the contract. The monthly progress evaluation will compare budget to actual expenditures and as-planned performance to actual performance. The project reporting will summarize the preceding month's developments, plans for the current month, future plans, requests, recommendations, and general comments.

COST MANAGEMENT APPROACH

Cumming adheres to the following guidelines of good cost

management:

- A thorough understanding of the project goals, deadlines, and scope: Cumming works with the client at the earliest phases of the project in order to thoroughly understand the goals for the project, the constraints and milestones that need to be met, and the scope of work to be delivered.
- Proactive participation through the life of the project.
- Value management/cost trade-offs during the life of the project: Value management is not only helpful when a project needs to cut costs. Cumming constantly looks for opportunities to add value to projects by utilizing cost trade-off analysis through material substitutions, alternate means or methods, and life-cycle cost analysis.
- Continued assistance through the bid phase and construction: Getting a project to the contractor does not guarantee success. Cumming has extensive experience working with the project team to evaluate the contractor's bidding process, schedule of values, buyout strategy, and change orders to keep the project on track.
- Keeping an eye on the total project costs at all times: Delivering construction costs on budget is only part of the solution. If the construction budget is met but the other budgets are not, the project does not succeed. Cumming has extensive experience both budgeting and managing the total project costs for our clients.

SCHEDULING APPROACH

Our team believes in developing both a summary and a detailed schedule approach for time management control. Summary schedules, by design, inform and update senior management, while detailed construction schedules provide the day-to-day operational tools for time management. Cumming develops the control systems to manage design and construction. The project master schedule is the controlling document and the basic tool for measuring performance against the plan. It integrates all essential events—current and projected—and identifies tasks, responsibilities, milestones, and phases of major actions for each participant.

Construction Sequencing

The effective sequencing and scheduling of construction work around existing facilities will begin in the design phase. Cumming will closely review the contractor's schedule submittal to make certain that all required sequencing and milestones are shown. By closely monitoring the contractor's progress and work plan, we will be able to make recommendations as needed to adjust sequencing, work, or traffic patterns to minimize disruption to project activities.

QUALITY MEASURES

We have a simple yet rigorous approach to obtaining and

maintaining quality for our clients. The primary ingredients are teamwork and communication. Our approach is guided by the following principles:

Quality is conformance to requirements — If you don't know the requirements, conforming to them is tough.

Maintain consistent quality throughout the process — Requirements of each phase are set by the work products of preceding phase; thus poor quality work products limit the following phase.

Measure early and often — Our work processes focus on quality assurance that our deliverables conform to the contract requirements. We have found that the potential for surprise is inversely proportional to the frequency of measurement. Therefore, we will check the progress and the quality of the work often and make small corrections to avoid large corrections.

We will measure and deliver quality on three levels:

The Quality of Our Service — the way we work with you and the rest of the project team

The Quality of Our Technical Work — the accuracy and completeness of our reports and studies

The Quality of the Final Project — the conformance to requirements and suitability to purpose in the completed project

6.D.8 Overview of the organization's innovative and technological resources

The Cumming Group is systems agnostic. We recognize each project is unique and look to understand its requirements, as well as our client's culture and internal values. The right technology mix must address the unique opportunities and challenges of the engagement, fulfill our clients' needs, and support our success. It will generate efficiency and synergy across all parties' work, streamlining access to information in a self-service mode. Accordingly, the resulting technology mix focuses on guaranteeing data transparency, accessibility, auditability, and quality across roles, organizations, regions, and time zones.

We seek to develop a deep understanding of the stakeholders, their priorities, and how critical groups prefer to receive information and use that to develop custom dashboards, reporting, and other interfaces. Our team of systems integrators and data analysis and visualization experts provide a bespoke Project Management Integration System (PMIS) that integrates the platforms that will best serve the project and team. Subscription fees for each of these platforms will vary based on the number of users and other factors, and are not included in our fee. Cumming

cumming-group.com

can purchase licenses as a reimbursable expense, or use accounts established by the owner or other partners.

We strive to create value in the context of the organizations' needs and cultures. At the very onset of our engagements, we perform a fit-gap analysis that takes into account any systems our clients are currently using for similar projects. In this process we work to identify all the sources of information, the level of data granularity required to manage and report, and who are the producers and consumers of said information. Clients often have their own critical performance indicators by which they assess the progress and status of the different facets of their projects, so we build these in alongside ours.

Our data team aims to create impactful, actionable insights tailored to communicate data to any level of an organization. With a deep understanding of the data and the needs of the end users in mind, we create visuals to empower staff members on site, or to better inform decision makers in the office. In addition to our expertise in tools and data analysis, our team includes visualization best practices to ensure our tools are telling a persuasive, precise story. In all instances, we strive to become trusted partners of our clients and treat their data as if it were our own.

We know disruption is always a challenge, so the resulting technology platform we create looks to support the processes that drive project success, addresses both sides of the relationship, and minimizes disruption to the activities of the parties involved, whenever and wherever possible.

6.D.9 Description of organization's experience working with design professionals for new construction facilities with environmentally/energy impact considerations

Cumming has a history of working with clients to improve air quality, conserve water, reduce overall environmental impact, and achieve all LEED certification goals. As a firm, Cumming has managed more than 30 projects that have been certified at the LEED silver, gold, or platinum levels. Our in-house energy experts, including more than 40 LEED APs, promote energy policy and awareness at industry energy forums and conferences, and deliver sustainability-related training to owner-agency stakeholders, facility groups, end users, community leaders, and the public.

In addition, Cumming has an Energy and Sustainability division that specializes in providing quality-consulting services to public agency clients. The Cumming CRRC staff can draw on the expertise of this group, which has become a recognized leader in environmental and sustainability planning, resource management, and project development.

6.D.10 Resume and specific experience of proposed Owner's Representative

The team organizational chart can be found on page 12, and resumes for all of our key team members can be found on pages 18-19.

6.D.11 3-6 References for project of similar size and scope

We have provided three references for whom Cumming has provided similar services for projects encompassing the same scope below:

Agency Name	Tahoe Truckee Unified School District, Tahoe Lake Elementary School, Tahoe, CA
Contact & Title	Jorge Rojas
Phone Number	530.582.2545 x2055
Project/Services	Project scope included replacing modular buildings with new construction for classrooms, new administration, and modernization of existing buildings to include classrooms, common areas, ADA access compliance, technology upgrades, and mechanical upgrades. Site work included parking lot upgrades, upgrades to site utilities, exterior lighting, play structures and fencing.

Agency Name	City of Mountain View
Contact & Title	David Printy, Senior Project Manager, Capital Projects
Phone Number	650.903.6162
Email Address	david.printy@mountainview.gov
Project Dates	Work was completed in spring of 2019.
Project/Services	Mountain View Community Center – pre-construction, construction, and cost management as well as LEED commissioning services for the Rengstorff Community Center design and associated construction capital improvement project.

Client	Kilroy Realty Corporation
Contact & Title	Jonas Vass, Sr. Vice President, Development
Phone Number	(o) 415.778.7741; (c) 650.690.1067
Email Address	jvass@kilroyrealty.com
Project Dates	January 2017 – Ongoing
Project/Services	Oyster Point Development – project management, cost management, and scheduling services



Kristin Hillmer, DBIA, LEED AP BD+C

Project Director

Kristin has been working in the construction industry since 1998. She has been involved in all aspects of projects for both the pre-construction and construction phases, and is highly knowledgeable with essential project procedures. In her role as a senior project manager, Kristin manages the maintenance, coordination and processing of Requests for Information, submittals, change orders and scheduling/cost-related issues. Being directly involved with the coordination of the architect, consultants, owner, and subcontractors to resolve design constructability and field issues, she is able to oversee and provide direction to office and project staff. Additionally, Kristin analyzes and negotiates costs for change orders with the owner and subcontractors while maintaining, reviewing and forecasting budget versus actual construction costs.

Having previously worked as a project engineer, Kristin has proven to be a skilled conduit for the successful transfer and implementation of project information to and from the entire project team. Additional experience includes serving as an estimator for a large construction firm, where she led budgeting and estimating activities during preconstruction. Kristin also has first-hand experience with assisting in constructability reviews and value engineering exercises.

Education

Bachelor of Science, Civil Engineering, University of Dayton

Certifications

DBIA Certified Professional, Design-Build Institute of America

LEED Accredited Professional Building Design + Construction, U.S. Green Building Council, 2009

Training

OSHA 30-Hour Training

Relevant Experience

Tahoe Truckee Unified School District, Tahoe Lake Elementary School, Tahoe, CA

Senior Project Manager for this project to replace modular buildings with new construction for classrooms, new administration, and modernization of existing buildings which will include classrooms, common areas, ADA access compliance, technology upgrades, and mechanical upgrades. Site work included parking lot upgrades, upgrades to site utilities, exterior lighting, play structures and fencing.

PG&E Training Center, Winters, CA

Preconstruction Manager for a new 50,000-sq.-ft. PG&E Gas Operations Technical Training Center. The state-of-the-art training facility is designed to teach best-in-class safety protocols, the use of the newest technologies and the highest levels of customer service to PG&E's high-skill workforce. Scope included site investigation, design reviews, scheduling, estimating, and GMP proposal preparation. (\$75M)

Washoe County School District, O'Brien Middle School, Reno, NV

Senior Project Manager for the O'Brien

Middle School expansion. The new school is being constructed adjacent to the existing school, which is active during construction.

Golden 1 Center, New Sports/Events Complex, Sacramento, CA

Provided preconstruction and construction services for a new downtown entertainment destination in California's State Capitol that serves as the home for the Sacramento Kings. It is a first class, state-of-the-art, LEED-certified, multi-purpose facility that hosts and presents world class, large scale, live entertainment events along with a broad range of commercial, community and cultural activities. The Golden 1 Center holds 18,500 seats for NBA events. The Golden 1 Center replaces an existing shopping mall in the middle of the congested portion of downtown Sacramento. The demolition package included the removal of the eastern portion of the mall, underground parking structure and an adjacent office building. The western half of the mall, surrounding buildings on the same block, and heavily used roadways remained in operations throughout the demolition. (\$300M)



Michael Allen

Senior Project Manager

Mike is a Senior Project Manager experienced on diverse projects ranging from hospitality and destination resorts in the gaming and entertainment industry to large scale public works. Proficient in all aspects of the design build process with regards to document coordination and development, preconstruction, contract administration and risk management, budgeting and cost projections, CPM scheduling and assessment of proposed value engineering to project advantage. Adept in all facets related to the procurement process including; interior furnishings, fixtures, equipment and installation; marble and granite import; custom themed elements; audio-visual and security systems; operational supplies and equipment. Plan and implement life safety and building systems commissioning protocols and turnover to facility operations for ongoing maintenance programs.

Education

Bachelor of Science,
Construction Science
Engineering, Kansas State
University

Certifications and Memberships

LEED Accredited Professional
(AP) v.2.2 - U.S. Green
Building Council

State of Nevada, Certified
Inspector of Structures –
Residential Home Inspections

Radon Measurement
Certification – National Radon
Proficiency Program MURC-9
Radon Mitigation Certification
– National Radon Proficiency
Program MURC-8

30 Hour OSHA Certification

Relevant Experience

Washoe County School District, O'Brien Middle School, Reno, NV

Senior Project Manager for the O'Brien Middle School expansion. The new school is being constructed adjacent to the existing school, which is active during construction.

Tahoe Beach Club, Tahoe, CA

Senior Project Manager for this luxury development providing contract administration, schedule analysis, change order and payment application approvals and QA/QC compliance. Tahoe Beach Club is the first lakeside residential development in over 30 years, based on a planned development of over 140 units ranging from two to five bedrooms, and a five-star amenity Clubhouse located on a private beach with pier access.

Los Angeles Unified School District, Los Angeles, CA

Mike provided Construction Management services for project, included new additions for expanding facilities and structural/ seismic renovation to existing buildings while minimizing impacts to ongoing Owner operations. Expedited and monitored all Owner and Subcontractor progress payments, vendor invoices, submittals and RFI's, including preparations of closeout documentation for closeout and release of retention.

Section

E



Pricing Format



Section E Pricing Format

- **Provide fees as lump sum cost.**

Lump Sum Cost - \$594,732

- **Provide itemized list of services recommended for project scope and associated fees.**

Design Phase, January 2022 – September 2022

Project Director - \$17,127

Project Management - \$70,065

Construction Phase, October 2022 – November 2023

Project Director - \$27,270

Project Management - \$446,236

Warranty Phase, December 2023

Project Director - \$1,960

Project Management - \$32,074

Recommended allowance - \$20,000 (not included in lump sum or itemizations above)

Cost estimating above and beyond review/compare CMAR and architect estimates

Schedule analysis above and beyond review of CMAR schedule

- **Provide list of potential reimbursable expenses and an estimated cost based on previous projects of this size.**

List of potential reimbursable expenses & estimated cost

Estimated cost = \$7,500

Potential reimbursable expenses

Mileage or lodging for travel performed for project responsibilities

Office supplies

Mobile phones

Computers

Assumptions/clarifications

Proposal assumes that office space, office furniture, copier/printer and internet will be provided by

City of Fernley

- **Provide hourly rates for expected personnel**

Project Director – \$235.00

Sr. Project Manager – \$180.00

Asst. Project Manager – \$145.00

Sr. Scheduler – \$195.00

Scheduler – \$165.00

Cost Management Director – \$195.00

Senior Cost Manager – \$175.00

Cost Manager – \$160.00



F. All bidders are to attach the following signed declaration to their returned proposal:

The undersigned declares that they have carefully examined the RFP, the site, and all provided documentation for the bidding of Owners Representative Construction Management Services for City of Fernley Community Response and Resource Center. Signature below acknowledges understanding of and ability to comply with all items in the bid proposal. If there are any differences concerning the specifications, those differences will be resolved in favor of the City of Fernley.

Contractor Name: Cumming Management Group, Inc. (Cumming)

Business Address: 200 South Virginia Street, 8th Floor, Reno, NV 89501

Business Telephone: 775.737.9383 Business Fax: 775.201.0044

Business E-Mail: cthompson@cumming-group.com

Contact Person: Chris Thompson, Sr. Vice President

Date Bid Submitted: December 23, 2021

CONTRACTOR'S AUTHORIZED SIGNATURE

The undersigned, having carefully read and considered the terms and conditions of the Request for Proposal (RFP) for Owner's Representative Construction Management Services for City of Fernley Community Response and Resource Center does hereby offer to provide such items and perform services on behalf of the City of Fernley, of the type and quality and in the manner described, and subject to and in accordance with the terms and conditions set forth in the RFP at the rates hereinafter set forth.

Authorized Signature of Contractor: _____

Printed Name: Chris Thompson, Sr. Vice President _____

Company Name: Cumming Management Group, Inc. (Cumming) _____

Date: December 23, 2021 _____



CUMMING
Building Value Through Expertise



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council

REPORT THRU: Daphne Hooper, City Manager

REPORT FROM: Jessica Dover

FINANCIAL IMPACT:	CURRENTLY BUDGETED:	FUND/ACCOUNT:
Yes: X No:	Yes: X No:	100-475-430, 100-475-420, 100-475-600

ACTION REQUESTED: Consent

AGENDA ITEM: (For Possible Action):

(Possible Action) Award a Contract for Construction for the FY 21/22 PMP Maintenance Project (Project) to: Sierra Nevada Construction, Inc. (SNC), in an amount not to exceed \$1,184,007.

AGENDA ITEM BRIEF:

The proposed major work items include, but are not limited to: Rapid setting slurry seal, asphalt pavement patching, crack sealing on local roads, Portland cement concrete improvements, pavement markings, traffic control, and public relations activities.

RECOMMENDED MOTION:

"I move to Award a Contract for Construction for the FY 21/22 PMP Maintenance Project (Project) to: Sierra Nevada Construction, Inc. (SNC), in an amount not to exceed \$1,184,007."

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:

1. City Council may award the proposed Contract for Construction Services to Sierra Nevada Construction, Inc. (SNC)
2. City Council may reject the proposed Contract and provide additional direction to the City Manager

BACKGROUND:

The intent of the City's annual PMP Maintenance Project is to complete appropriate maintenance treatments for streets that have been selected by Staff, using key parameters of the City of Fernley Pavement Management Program, Resolution #2015-008, adopted by City Council September 16, 2015. The Pavement Management Program (PMP) provides Staff with direction necessary to evaluate and prioritize pavement preservation projects, while providing clarification to stakeholders regarding the project selection process.

The annual slurry project associated with the City's Pavement Management Program was implemented in spring 2016. To date, six annual slurry projects have been completed since the Program's inception in FY 15/16. This has allowed the City to complete preventative maintenance treatments on approximately just under 50% of the City's total paved Street Network. Currently, approximately 80% of the City's total paved Street Network is eligible for preventative maintenance treatments; another approximately 9% are eligible for corrective maintenance treatments.

Project Summary:

The proposed major work items include, but are not limited to: Rapid setting slurry seal, asphalt pavement patching, crack sealing on local roads, Portland cement concrete improvements, pavement markings, traffic control, and public relations activities.

The Project was advertised in the Reno Gazette Journal, and the Lyon County News Leader between the dates of January 05, 2022 to January 25, 2022. Staff opened bids on January 26, 2022. The list of bidders and total bid prices for the Project are included in Lumos' Recommendation of Award, referenced below as Attachment No. 2.

After reviewing the bids and conferring with the City's Project consultants, Lumos and Associates, Inc., Staff recommends awarding the Contract to Sierra Nevada Construction, Inc.

The proposed Contract for Construction (Contract) will complete preventative maintenance treatments for local streets within: Skyridge EST 1, Sierra Vista Unit 5, Silverland Estates and Donner Trails EST subdivisions.

Reconstruction of a portion of Hardie LN was completed in 2019; the three (3) year slurry application is included in the proposed Contract. Many streets within the FY 21/22 Project area have not been previously slurred.

Streets included in the FY 21/22 Project area are shown per Attachment No. 3, *Base Bid Sheet Index and Vicinity Map*, (Sheet C1.1).

The Contract for Construction will also include the following improvements and repairs:

- Additional Striping Work, shown per Attachment No. 4, *Annual Long Line Striping Vicinity Map*, (Sheet C1.3)

- Additional Crack Seal Work; the City's FY 17/18 PMP Project area, depicted per Attachment No. 5, *Crack Seal and Striping Only Vicinity Map*, (Sheet C1.2)
- Staff recommends additional slurry and Stop Gap Work within the Countryside 1-3 subdivision be Awarded as part of the proposed Contract; this additional Work is depicted per Attachment No. 6, *Option 1-4 Sheet Index and Vicinity Map*, (Sheet C1.4)

Lumos and Associates, Inc. (Lumos) has assisted many agencies in northern Nevada with Engineering Design and Construction Management Services for Pavement Maintenance. They prepared plans, specifications and estimates for the Project, and will be providing applicable Construction Management Services including inspection and materials testing.

LEGAL IMPLICATIONS:

FINANCIAL IMPLICATIONS:

Project appropriations are included in the approved FY 2022 Budget as part of the Capital Improvement Plan:

- \$1,300,000 (100-475-430), PMP Project, Cottonwood LN, Skyridge EST 1, Hardie LN, Sierra Vista Unit 5, Silverland EST, Donner Trails EST (Page 167, 218, A-27)

AND as part of the Streets and Storm Drains Department O&M Expenses:

- \$25,000 (100-475-420), Contract Sweeping, Striping, Storm Drain Maintenance (Page 167)
- \$22,500 (100-475-600), General Supplies, Concrete, Aggregate Base, CM/HMA Asphalt (Page 168)

FY 21/22 PMP Maintenance Project, **Proposed Contracts:**

City of Fernley Standard Agreement for Construction Services, **SNC** (Attachment No. 1)

Total Base Bid	\$1,033,956.30
Total Options (No. 1-4)	\$150,050.70
Total (Base Bid and all Options):	\$1,184,007

FY 21/22 PMP Maintenance Project, **Existing Contracts:**

City of Fernley Standard Contract for Engineering Services, **Lumos and Associates, Inc.**

This Contract, effective August 18, 2021, includes Engineering Design and Construction Management Services, in an amount not to exceed \$175,635. The following Tasks have been included in the Scope of Services (Attachment A to the City of Fernley Standard Contract for Engineering Services, Lumos):

Total Design and Bidding Services: (Task 1A-1C)	\$71,160
Total Construction Services: (Task 2A-2C)	\$89,475

Total OPTIONAL Engineering Services: (Task 3)	\$15,000
Total (Including OPTIONAL Services):	\$175,635

FY 21/22 PMP Maintenance Project, Proposed **Total**:

SNC Standard Agreement for Construction Services	\$1,184,007
<u>Lumos Standard Contract for Engineering Services</u>	<u>\$175,635</u>
Total:	\$1,359,642

The total amount proposed exceeds the amount approved as part of the FY 22 Budget for the Project. Additional funding for the Project will come from the City's General Fund, Streets and Storm Drains Department, (GL: 100-475-430), should an overage occur.

ATTACHMENTS:

1. 2022.02.16 SNC Contract for Construction
2. LY-2022-085_FY 21-22 PMP Maintenance Project_Recommendation for Award_01.26.2022
3. Base Bid Sheet Index and Vicinity Map, (Sheet C1.1)
4. Annual Long Line Striping Vicinity Map, (Sheet C1.3)
5. Crack Seal and Striping Only Vicinity Map, (Sheet C1.2)
6. Option 1-4 Sheet Index and Vicinity Map, (Sheet C1.4)

**AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)**

THIS AGREEMENT is by and between City of Fernley ("Owner") and
Sierra Nevada Construction, Inc. ("Contractor").

Owner and Contractor hereby agree as follows:

ARTICLE 1 – WORK

1.01 *Contractor shall complete all Work as specified or indicated in the Contract Documents.*

The Work generally includes but is not limited to: Rapid setting slurry seal, asphalt pavement patching, crack sealing on local roads, Portland cement concrete improvements, pavement markings, traffic control, and public relations activities.

ARTICLE 2 – THE PROJECT

2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows: **FY 21/22 PMP Maintenance Project.**

ARTICLE 3 – ENGINEER

3.01 The Project has been designed by **Lumos & Associates, Inc.**

3.02 The Owner has retained **Lumos & Associates, Inc.** ("Engineer") to act as Owner's representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

ARTICLE 4 – CONTRACT TIMES

4.01 *Time of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Contract Times: Days*

A. The Work will be substantially completed within **60** days after the date when the Contract Times commence to run as provided in Paragraph 4.01 of the General Conditions, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions within **70** days after the date when the Contract Times commence to run.

4.03 *Liquidated Damages*

A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with the Contract. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the

actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):

1. Substantial Completion: Contractor shall pay Owner **\$1,500** for each day that expires after the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.02.A above for Substantial Completion until the Work is substantially complete.
2. Completion of Remaining Work: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner **\$500** for each day that expires after such time until the Work is completed and ready for final payment.
3. Liquidated damages for failing to timely attain Substantial Completion and final completion are not additive and will not be imposed concurrently.

ARTICLE 5 – CONTRACT PRICE

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to adjustment under the Contract:

- A. For all Work, at the prices stated in Contractor's Bid, attached hereto as an exhibit.

ARTICLE 6 – PAYMENT PROCEDURES

6.01 Submittal and Processing of Payments

- A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 Progress Payments; Retainage

- A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment on or about the first day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.
 1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract
 - a. **95** percent of Work completed (with the balance being retainage). If the Work has been 50 percent completed as determined by Engineer, and if the character and progress of the Work have been satisfactory to Owner and Engineer, then as long as the character and progress of the Work remain satisfactory to Owner and Engineer, there will be no additional retainage; and
 - b. **95** percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).

- B. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to 95 percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less 100 percent of Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work in accordance with Paragraph 15.06 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 15.06.

ARTICLE 7 – NOT USED

ARTICLE 8 – CONTRACTOR'S REPRESENTATIONS

8.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:

- A. Contractor has examined and carefully studied the Contract Documents, and any data and reference items identified in the Contract Documents.
- B. Contractor has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.
- E. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor's safety precautions and programs.
- F. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
- G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.

- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
- J. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

ARTICLE 9 – CONTRACT DOCUMENTS

9.01 *Contents*

- A. The Contract Documents consist of the following:
 - 1. This Agreement (pages 1 to 8, inclusive).
 - 2. Performance bond (pages 1 to 3, inclusive).
 - 3. Payment bond (pages 1 to 4, inclusive).
 - 4. Other bonds. None
 - 5. General Conditions (pages 1 to 66, inclusive).
 - 6. Supplementary Conditions (pages 1 to 12, inclusive).
 - 7. 2022 Prevailing Wage Rates: Northern Nevada Rural Counties
 - 8. Provisions of Nevada Revised Statute Chapter 338 (00521)
 - 9. City of Fernley Division of Safety Form (00522)
 - 10. Specifications as listed in the table of contents of the Project Manual including Appendix A.
 - 11. Drawings (not attached but incorporated by reference).
 - 12. Addenda (numbers ____ to ____, inclusive).
 - 13. Exhibits to this Agreement (enumerated as follows):
 - a. Contractor's Bid (00410-1 thru 8, 00440-1 thru 3, and 00450-1 thru 3)
 - 14. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
 - a. Notice to Proceed.
 - b. Work Change Directives.
 - c. Change Orders.
 - d. Field Orders.
- B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 9.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

ARTICLE 10 – MISCELLANEOUS

10.01 *Terms*

- A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

10.02 *Assignment of Contract*

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 *Successors and Assigns*

- A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 *Severability*

- A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.05 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:
 - 1. “corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process or in the Contract execution;
 - 2. “fraudulent practice” means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
 - 3. “collusive practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
 - 4. “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

10.06 *Other Provisions*

- A. Owner stipulates that the General Conditions that are made a part of this Contract are based on EJCDC® C-700, Standard General Conditions for the Construction Contract, published by the Engineers Joint Contract Documents Committee® and Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, through the Supplementary Conditions.
- B. Contractor and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964, as amended, Title IX of the Education Amendments of 1972, the Rehabilitation Act of 1973, P.L. 93-112, as amended, the age discrimination Act of 1975 and any relevant program-specific regulations (including those with anti-discrimination requirements), and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, sexual orientation, gender identity or expression, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions). Such agreement shall include, but not be limited to the following: 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.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on February 16, 2022 (which is the Effective Date of the Contract).

OWNER:

CONTRACTOR:

(Authorized Signature)

(Authorized Signature)

By: Roy Edgington
(Printed Name)

By: _____
(Printed Name)

Title: Mayor, City of Fernley

Title: _____
(If Contractor is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

Attest: _____

Attest: _____

Title: Kim Swanson, City Clerk, City of Fernley

Title: _____

Address for giving notices:

City of Fernley, Engineering Department

595 Silver Lace BLVD

Fernley, NV 89408

Address for giving notices:

License No.: _____
(where applicable)

(If Owner is a corporation, attach evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)

NOTE TO USER: Use in those states or other jurisdictions where applicable or required.

++END OF AGREEMENT BETWEEN OWNER AND CONTRACTOR ++



Carson City • Fallon • Lake Tahoe • Reno

www.LumosInc.com

Reno
9222 Prototype Drive
Reno, Nevada
775.827.6111

January 26, 2022

Jessica Dover, P.E., Sr. Project Manager
City of Fernley Public Works Department
595 Silver Lace Boulevard
Fernley, NV 89408

**Subject: FY 21/22 PMP Maintenance Project
Recommendation of Award**

Dear Jessica:

As you are aware, bids for the above referenced project were received and opened on January 26, 2022. Three (3) bids were received with Sierra Nevada Construction, Inc. having the lowest total bid of \$1,184,007.00.

Sierra Nevada Construction, Inc., a Nevada contractor licensee, is of good standing and their bid was found to be complete. Therefore, we recommend that award be considered to Sierra Nevada Construction, Inc. for Base Bid and all Options (1-4) in the amount of \$1,184,007.00.

A Bid Tabulation has been attached for your reference. If you have any questions, please contact me at (775) 827-6111.

Sincerely,

A handwritten signature in blue ink, appearing to read 'B. Harer', with a large circular flourish on the left.

Brian Harer
Project Manager
Construction Division

Attach: Bid Tabulation
Bid Opening Attendance Sheet
Bid Submittal Checklist

Item No.	Base Bid					** APPARENT LOW BIDDER **								
		Unit	Engineer's Estimate			Sierra Nevada Construction			Intermountain Slurry Seal			VSS International		
			Unit Cost	Quantity	Total	Unit Cost	Quantity	Total	Unit Cost	Quantity	Total	Unit Cost	Quantity	Total
1	TYPE II MICRO SURFACE	SF	\$0.22	1,758,710	\$386,916.20	\$0.20	1,758,710	\$351,742.00	\$0.23	1,758,710	\$404,503.30	\$0.28	1,758,710	\$492,438.80
2	TYPE II MICRO SURFACE MULTI-USE PATHS	SF	\$0.42	79,990	\$33,595.80	\$0.45	79,990	\$35,995.50	\$0.33	79,990	\$26,396.70	\$0.35	79,990	\$27,996.50
3	WIDE CRACK REPAIR	LF	\$6.50	12,165	\$79,072.50	\$5.65	12,165	\$68,732.25	\$8.00	12,165	\$97,320.00	\$6.52	12,165	\$79,315.80
4	PAVEMENT CRACK SEALING	SF	\$0.07	3,512,702	\$245,889.14	\$0.06	3,512,702	\$210,762.12	\$0.05	3,512,702	\$175,635.10	\$0.06	3,512,702	\$210,762.12
5	4" SOLID WHITE STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.44	5,490	\$2,415.60	\$0.28	5,490	\$1,537.20	\$0.36	5,490	\$1,976.40	\$0.37	5,490	\$2,031.30
6	4" BROKEN WHITE STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.22	27,820	\$6,120.40	\$0.23	27,820	\$6,398.60	\$0.29	27,820	\$8,067.80	\$0.21	27,820	\$5,842.20
7	4" BROKEN (2'/4') WHITE STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.20	2,100	\$420.00	\$0.23	2,100	\$483.00	\$0.30	2,100	\$630.00	\$0.21	2,100	\$441.00
8	4" SOLID YELLOW STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.43	11,880	\$5,108.40	\$0.28	11,880	\$3,326.40	\$0.35	11,880	\$4,158.00	\$0.37	11,880	\$4,395.60
9	4" DOUBLE SOLID YELLOW STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.64	16,560	\$10,598.40	\$0.85	16,560	\$14,076.00	\$0.49	16,560	\$8,114.40	\$0.64	16,560	\$10,598.40
10	4" DOUBLE (SOLID & BROKEN) YELLOW STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.39	16,320	\$6,364.80	\$0.57	16,320	\$9,302.40	\$0.36	16,320	\$5,875.20	\$0.48	16,320	\$7,833.60
11	6" SOLID WHITE STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.54	18,840	\$10,173.60	\$0.57	18,840	\$10,738.80	\$0.43	18,840	\$8,101.20	\$0.48	18,840	\$9,043.20
12	6" BROKEN (2'/4') WHITE STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.47	2,330	\$1,095.10	\$0.57	2,330	\$1,328.10	\$0.31	2,330	\$722.30	\$0.21	2,330	\$489.30
13	8" SOLID WHITE STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.72	9,120	\$6,566.40	\$0.85	9,120	\$7,752.00	\$0.42	9,120	\$3,830.40	\$0.64	9,120	\$5,836.80
14	8" BROKEN (2'/4') WHITE STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.65	770	\$500.50	\$0.85	770	\$654.50	\$0.33	770	\$254.10	\$0.21	770	\$161.70
15	12" SOLID WHITE (THERMOPLASTIC)	LF	\$12.50	2,205	\$27,562.50	\$10.20	2,205	\$22,491.00	\$7.00	2,205	\$15,435.00	\$10.70	2,205	\$23,593.50
16	24" SOLID WHITE (STOP BARS - THERMOPLASTIC)	LF	\$13.50	55	\$742.50	\$13.60	55	\$748.00	\$10.00	55	\$550.00	\$17.12	55	\$941.60
17	24" SOLID WHITE (CROSS WALK - THERMOPLASTIC)	LF	\$13.50	2,220	\$29,970.00	\$13.60	2,220	\$30,192.00	\$10.00	2,220	\$22,200.00	\$13.91	2,220	\$30,880.20
18	YIELD (SHARKS TOOTH) (THERMOPLASTIC)	EA	\$55.00	60	\$3,300.00	\$55.00	60	\$3,300.00	\$100.00	60	\$6,000.00	\$53.50	60	\$3,210.00
19	PERFORMED SHARROW MARKINGS (THERMOPLASTIC)	EA	\$500.00	1	\$500.00	\$706.43	1	\$706.43	\$450.00	1	\$450.00	\$321.00	1	\$321.00
20	PREFORMED PAVEMENT MARKINGS (THERMOPLASTIC)	SF	\$16.90	1,660	\$28,054.00	\$14.00	1,660	\$23,240.00	\$18.00	1,660	\$29,880.00	\$16.59	1,660	\$27,539.40
21	FULL DEPTH PAVEMENT PATCHING	SF	\$10.00	18,050	\$180,500.00	\$9.00	18,050	\$162,450.00	\$12.00	18,050	\$216,600.00	\$10.17	18,050	\$183,568.50
22	ADDITIONAL 1" ASPHALT PATCH DEPTH	EA	\$1.00	2,000	\$2,000.00	\$0.50	2,000	\$1,000.00	\$1.00	2,000	\$2,000.00	\$1.07	2,000	\$2,140.00
23	PROTECT AND ADJUST VALVES AND SURVEY MONUMENTS	EA	\$1,150.00	15	\$17,250.00	\$900.00	15	\$13,500.00	\$500.00	15	\$7,500.00	\$749.00	15	\$11,235.00
24	PROTECT AND ADJUST MANHOLES	EA	\$1,400.00	15	\$21,000.00	\$900.00	15	\$13,500.00	\$1,000.00	15	\$15,000.00	\$1,177.00	15	\$17,655.00
25	CONTRACT ALLOWANCE	LS	\$40,000.00	1	\$40,000.00	\$40,000.00	1	\$40,000.00	\$40,000.00	1	\$40,000.00	\$40,000.00	1	\$40,000.00
BASE BID TOTAL:			\$1,145,715.84			\$1,033,956.30			\$1,101,199.90			\$1,198,270.52		

Item No.	Option No. 1													
		Unit	Engineer's Estimate			Sierra Nevada Construction			Intermountain Slurry Seal			VSS International		
			Unit Cost	Quantity	Total	Unit Cost	Quantity	Total	Unit Cost	Quantity	Total	Unit Cost	Quantity	Total
O1.1	TYPE II MICRO SURFACE	SF	\$0.22	82,000	\$18,040.00	\$0.17	82,000	\$13,940.00	\$0.16	82,000	\$13,120.00	\$0.23	82,000	\$18,860.00
O1.2	PAVEMENT CRACK SEALING	SF	\$0.07	82,000	\$5,740.00	\$0.06	82,000	\$4,920.00	\$0.05	82,000	\$4,100.00	\$0.05	82,000	\$4,100.00
O1.3	4" DOUBLE SOLID YELLOW STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.64	300	\$192.00	\$0.85	300	\$255.00	\$0.46	300	\$138.00	\$0.64	300	\$192.00
O1.4	12" SOLID WHITE (THERMOPLASTIC)	LF	\$12.50	100	\$1,250.00	\$10.00	100	\$1,000.00	\$6.00	100	\$600.00	\$10.70	100	\$1,070.00
O1.5	PREFORMED PAVEMENT MARKINGS (THERMOPLASTIC)	SF	\$16.90	105	\$1,774.50	\$14.00	105	\$1,470.00	\$15.00	105	\$1,575.00	\$16.59	105	\$1,741.95
O1.6	FULL DEPTH PAVEMENT PATCHING	SF	\$10.00	1,790	\$17,900.00	\$9.00	1,790	\$16,110.00	\$10.50	1,790	\$18,795.00	\$11.24	1,790	\$20,119.60

OPTION 1 TOTAL:

\$44,896.50

\$37,695.00

\$38,328.00

\$46,083.55

Item No.	Option No. 2													
		Unit	Engineer's Estimate			Sierra Nevada Construction			Intermountain Slurry Seal			VSS International		
			Unit Cost	Quantity	Total	Unit Cost	Quantity	Total	Unit Cost	Quantity	Total	Unit Cost	Quantity	Total
O2.1	TYPE II MICRO SURFACE	SF	\$0.22	124,650	\$27,423.00	\$0.17	124,650	\$21,190.50	\$0.16	124,650	\$19,944.00	\$0.22	124,650	\$27,423.00
O2.2	WIDE CRACK REPAIR	LF	\$6.50	90	\$585.00	\$5.65	90	\$508.50	\$20.00	90	\$1,800.00	\$20.87	90	\$1,878.30
O2.3	PAVEMENT CRACK SEALING	SF	\$0.07	124,650	\$8,725.50	\$0.06	124,650	\$7,479.00	\$0.05	124,650	\$6,232.50	\$0.05	124,650	\$6,232.50
O2.4	4" DOUBLE SOLID YELLOW STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.64	400	\$256.00	\$0.85	400	\$340.00	\$0.26	400	\$104.00	\$0.64	400	\$256.00
O2.5	12" SOLID WHITE (THERMOPLASTIC)	LF	\$12.50	160	\$2,000.00	\$10.00	160	\$1,600.00	\$6.00	160	\$960.00	\$10.70	160	\$1,712.00
O2.6	24" SOLID WHITE (CROSS WALK - THERMOPLASTIC)	LF	\$13.50	110	\$1,485.00	\$13.00	110	\$1,430.00	\$5.00	110	\$550.00	\$13.91	110	\$1,530.10
O2.7	PREFORMED PAVEMENT MARKINGS (THERMOPLASTIC)	SF	\$16.90	125	\$2,112.50	\$14.00	125	\$1,750.00	\$15.00	125	\$1,875.00	\$16.59	125	\$2,073.75
O2.8	FULL DEPTH PAVEMENT PATCHING	SF	\$10.00	1,840	\$18,400.00	\$9.00	1,840	\$16,560.00	\$10.50	1,840	\$19,320.00	\$11.24	1,840	\$20,681.60

OPTION 2 TOTAL:

\$60,987.00

\$50,858.00

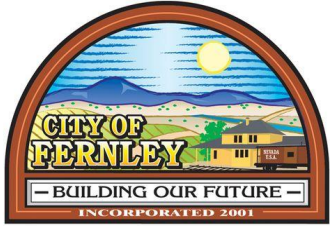
\$50,785.50

\$61,787.25

Item No.	Option No. 3													
		Unit	Engineer's Estimate			Sierra Nevada Construction			Intermountain Slurry Seal			VSS International		
			Unit Cost	Quantity	Total	Unit Cost	Quantity	Total	Unit Cost	Quantity	Total	Unit Cost	Quantity	Total
O3.1	TYPE II MICRO SURFACE	SF	\$0.22	94,740	\$20,842.80	\$0.17	94,740	\$16,105.80	\$0.16	94,740	\$15,158.40	\$0.22	94,740	\$20,842.80
O3.2	WIDE CRACK REPAIR	LF	\$6.50	175	\$1,137.50	\$5.65	175	\$988.75	\$20.00	175	\$3,500.00	\$21.40	175	\$3,745.00
O3.3	PAVEMENT CRACK SEALING	SF	\$0.07	94,740	\$6,631.80	\$0.06	94,740	\$5,684.40	\$0.05	94,740	\$4,737.00	\$0.05	94,740	\$4,737.00
O3.4	4" DOUBLE SOLID YELLOW STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.64	250	\$160.00	\$0.85	250	\$212.50	\$0.25	250	\$62.50	\$0.64	250	\$160.00
O3.5	12" SOLID WHITE (THERMOPLASTIC)	LF	\$12.50	100	\$1,250.00	\$10.00	100	\$1,000.00	\$3.40	100	\$340.00	\$10.70	100	\$1,070.00
O3.6	PREFORMED PAVEMENT MARKINGS (THERMOPLASTIC)	SF	\$16.90	85	\$1,436.50	\$14.00	85	\$1,190.00	\$8.00	85	\$680.00	\$16.59	85	\$1,410.15
O3.7	FULL DEPTH PAVEMENT PATCHING	SF	\$10.00	835	\$8,350.00	\$9.00	835	\$7,515.00	\$13.50	835	\$11,272.50	\$14.45	835	\$12,065.75
OPTION 3 TOTAL:			\$39,808.60			\$32,696.45			\$35,750.40			\$44,030.70		

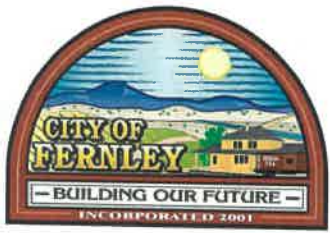
Item No.	Option No. 4													
		Unit	Engineer's Estimate			Sierra Nevada Construction			Intermountain Slurry Seal			VSS International		
			Unit Cost	Quantity	Total	Unit Cost	Quantity	Total	Unit Cost	Quantity	Total	Unit Cost	Quantity	Total
O4.1	TYPE II MICRO SURFACE	SF	\$0.22	113,200	\$24,904.00	\$0.17	113,200	\$19,244.00	\$0.16	113,200	\$18,112.00	\$0.22	113,200	\$24,904.00
O4.2	WIDE CRACK REPAIR	LF	\$6.50	35	\$227.50	\$5.65	35	\$197.75	\$50.00	35	\$1,750.00	\$53.50	35	\$1,872.50
O4.3	PAVEMENT CRACK SEALING	SF	\$0.07	113,200	\$7,924.00	\$0.06	113,200	\$6,792.00	\$0.05	113,200	\$5,660.00	\$0.05	113,200	\$5,660.00
O4.4	4" DOUBLE SOLID YELLOW STRIPING PAINT (TYPE II WATER BORNE)	LF	\$0.64	250	\$160.00	\$0.85	250	\$212.50	\$0.47	250	\$117.50	\$0.64	250	\$160.00
O4.5	12" SOLID WHITE (THERMOPLASTIC)	LF	\$12.50	105	\$1,312.50	\$10.00	105	\$1,050.00	\$6.00	105	\$630.00	\$10.70	105	\$1,123.50
O4.6	PREFORMED PAVEMENT MARKINGS (THERMOPLASTIC)	SF	\$16.90	45	\$760.50	\$14.00	45	\$630.00	\$15.00	45	\$675.00	\$16.59	45	\$746.55
O4.7	FULL DEPTH PAVEMENT PATCHING	SF	\$10.00	75	\$750.00	\$9.00	75	\$675.00	\$35.00	75	\$2,625.00	\$37.45	75	\$2,808.75
OPTION 4 TOTAL:			\$36,038.50			\$28,801.25			\$29,569.50			\$37,275.30		
BASE BID + OPTION 1 + OPTION 2 + OPTION 3 + OPTION 4 TOTAL:			\$1,327,446.44			\$1,184,007.00			\$1,255,633.30			\$1,387,447.32		

BID PROPOSAL:	X	X	X
BID BOND:	X	X	X
FIRST TIER SUBCONTRACTORS (5%):	X	X	X
MATERIAL SUPPLIERS:	X	X	X
NEVDADA BUSINESS/CONTRACTORS LICENSE:	X	X	X
ADDENDUM #1:	X	X	X
1% SUBCONTRACTORS (2 HOUR LIST):	X	X	X
PREFERENTIAL BIDDER STATUS:	X	X	X
UNIFORM AFFIDAVIT OF CERTIFICATION:	X	X	X
SUBCONTRACTORS:	All American Asphalt Sealing	West Coast Paving	West Coast Paving Nevada Barricade and Sign



**FY 21/22 PMP Maintenance Project
(PWP-LY-2022-085)
Bid Opening Attendance Sheet
City of Fernley – Public Works Department
January 26, 2022
10:00 AM**

Name	Company	Phone Number	Email Address
Jessica Dover	City of Fernley	775-784-9919	jdover@cityoffernley.org
Brian Harer	Lumos	775-827-6111	bharer@lumosinc.com
Josh Bowen	Intermountain Slurry Seal	775-358-1355	josh.bowen@gcinc.com
Darcy Carpenter	Sierra Nevada Construction	775-355-0420	bids@snc.biz
Unidentified	VSS International	916-291-9911	Unidentified
Alex Greenblat	Lumos	775-827-6111	agreenblat@lumosinc.com



FY 21/22 PMP Maintenance Project
 (PWP-LY-2022-085)
 Bid Submittal Checklist
 City of Fernley – Public Works Department
 January 26, 2022
 10:00 AM

Contractor	Bid Proposal	15% Subs	NV B/L	Material Suppliers	Bid Bond	Preferential Bidder	Addendum #1	Base Bid Total
Deal Intermountain Jumps (IOJ)	✓	✓	✓	✓	✓	✓	✓	\$ 1,255,633.30
JNC	✓	✓	✓	✓	✓	✓	✓	\$ 1,184,007
VSO International	✓	✓	✓	✓	✓	✓	✓	\$ 1,387,447.32

* 1% included - IOJ, JNC, VSO



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**FY 21/22 PMP MAINTENANCE PROJECT
BASE BID
SHEET INDEX AND VICINITY MAP**

NEVADA

LYON COUNTY

FERNLEY

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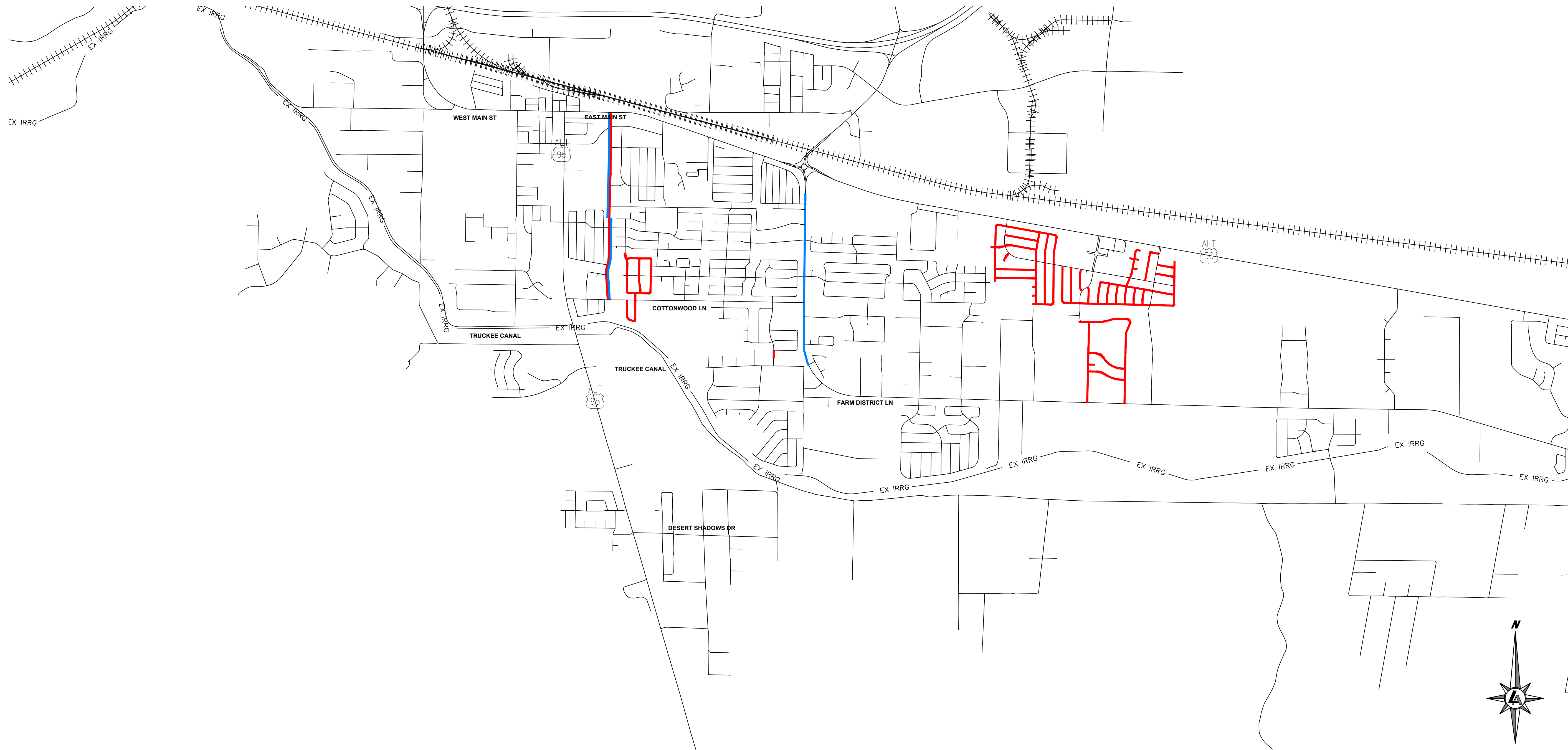
ISSUED FOR BIDDING

BAR IS 1 INCH ON
ORIGINAL DRAWING
0 NTS

IF NOT ONE INCH ON THIS SHEET,
ADJUST SCALES ACCORDINGLY

C1.1

DRAWN BY: MMP
DESIGNED BY: BDH
CHECKED BY: AJG
JOB NO.: 10513.000



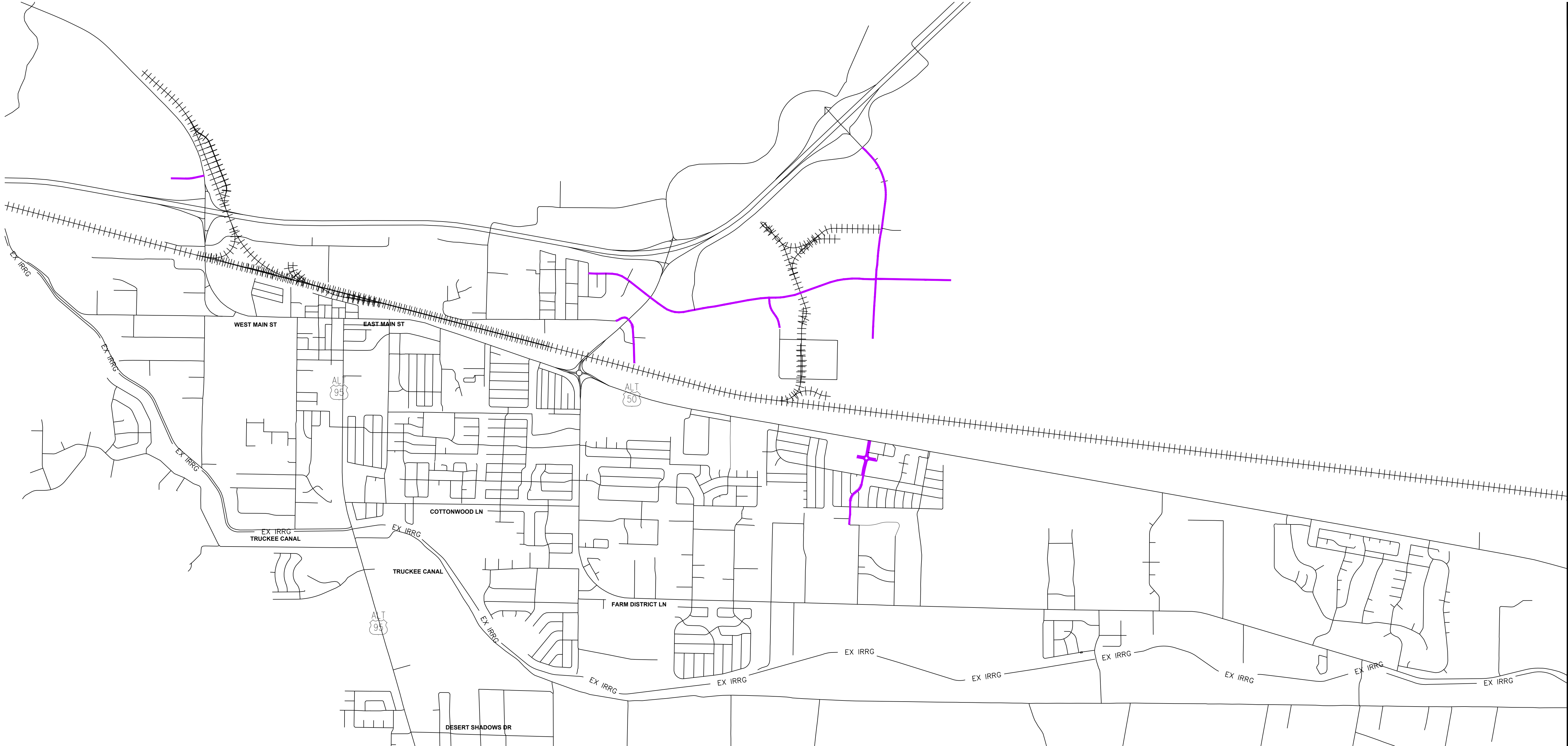
CITY OF FERNLEY: PAVEMENT MAINTENANCE SHEET INDEX

PAVEMENT MAINTENANCE PLAN

<u>DONNER TRAILS ESTATES</u>		REED CIR	P2.8	<u>SILVERLAND ESTATES</u>	
AMANDA CT	P2.11	REED WY	P2.8	HAYFIELD LN	P6.2
ANNIE WY	P2.8, 2.9, 2.12	RELIEF SPRINGS RD	P2.4 - 2.6	JASMINE LN	P6.0 - 6.3
BURGER RD	P2.5, 2.6	RUTLEDGE ST	P2.2	NIGHTINGALE CT	P6.2
CAMPFIRE CIR	P2.10, 2.11	SHORT CUT LN	P2.7 - 2.9	RAINBOW LN	P6.0 - 6.3
ELLICE WY	P2.1	SNOWDRIFT RD	P2.1	WINDROW DR	P6.1, 6.2
ELLIOT CIR	P2.7	SPAIGHT WY	P2.2		
ENDEAVOR	P2.1 - 2.3	ST LOUIS DR	P2.11, 2.12	<u>SKYRIDGE ESTATES</u>	
FORT BRIDGER RD	P2.0, 2.1, 2.4	STANTON LN	P2.9	BRIGIT CIR	P1.0
FORT SUTTER BLVD	P2.0 - 2.2	TAMSEN DR	P2.6, 2.9, 2.12	<u>HARDIE LN</u>	
FOSTER WY	P2.9	TRUBODE LN	P2.5, 2.6	HARDIE LN	P4.0 - 4.3
HASTINGS WY	P2.9	WADSWORTH LN	P2.6	HARDIE LN MULTI-USE PATH	P4.4 - 4.6
HERRON LN	P2.9	WASATCH CIR	P2.1, 2.2		
INDIAN TR	P2.5, 2.6	WESTWARD LN	P2.4 - 2.6	<u>FARM DISTRICT LN</u>	
JACOB LN	P2.8, 2.9			FARM DISTRICT LN MULTI-USE PATH	P3.0 - 3.3
LANGDON ST	P2.3	<u>SIERRA VISTA UNIT 5</u>			
LARIAT ST	P2.11	BARDOT WY	P5.1	<u>COOK LN</u>	
MADISON RD	P2.3	GREY HAWK DR	P5.0		
MIFFLIN ST	P2.3	PALOMINO DR	P5.0, 5.1	COOK LN	P7.0
PROSSER CIR	P2.8	PELICAN WY	P5.0		
		RAPTOR WY	P5.0, 5.1		
		SNOWY PLOVER WY	P5.0		

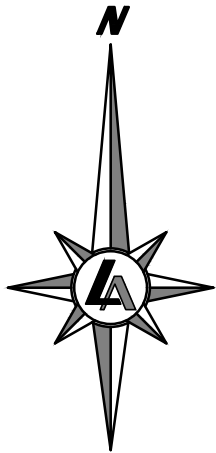
<u>DONNER TRAILS ESTATES</u>		REED CIR	\$2.8	<u>SILVERLAND ESTATES</u>	
AMANDA CT	\$2.11	REED WY	\$2.8	HAYFIELD LN	\$6.2
ANNIE WY	\$2.8, 2.9, 2.12	RELIEF SPRINGS RD	\$2.4 - 2.6	JASMINE LN	\$6.0 - 6.3
BURGER RD	\$2.5, 2.6	RUTLEDGE ST	\$2.2	NIGHTINGALE CT	\$6.2
CAMPFIRE CIR	\$2.10, 2.11	SHORT CUT LN	\$2.7 - 2.9	RAINBOW LN	\$6.0 - 6.3
ELLICE WY	\$2.1	SNOWDRIFT RD	\$2.1	WINDROW DR	\$6.1, 6.2
ELLIOT CIR	\$2.7	SPAIGHT WY	\$2.2		
ENDEAVOR	\$2.1 - 2.3	ST LOUIS RD	\$2.11, 2.12	<u>SKYRIDGE ESTATES</u>	
FORT BRIDGER RD	\$2.0, 2.1, 2.4	STANTON LN	\$2.9	BRIGIT CIR	\$1.0
FORT SUTTER BLVD	\$2.0 - 2.2	TAMSEN DR	\$2.6, 2.9, 2.12	<u>HARDIE LN</u>	
FOSTER WY	\$2.9	TRUBODE LN	\$2.5, 2.6	HARDIE LN	\$4.0 - 4.3
HASTINGS WY	\$2.9	WADSWORTH LN	\$2.6	HARDIE LN MULTI-USE PATH	\$4.4 - 4.6
HERRON LN	\$2.9	WASATCH CIR	\$2.1, 2.2		
INDIAN TR	\$2.5, 2.6	WESTWARD LN	\$2.4 - 2.6	<u>FARM DISTRICT LN</u>	
JACOB LN	\$2.8, 2.9	<u>SIERRA VISTA UNIT 5</u>		FARM DISTRICT LN MULTI-USE PATH	\$3.0 - 3.3
LANGDON ST	\$2.3	BARDOT WY	\$5.1		
LARIAT ST	\$2.11	GREY HAWK DR	\$5.0		
MADISON RD	\$2.3	PALOMINO DR	\$5.0, 5.1		
MIFFLIN ST	\$2.3	PELICAN WY	\$5.0		
PROSSER CIR	\$2.8	RAPTOR WY	\$5.0, 5.1		
		SNOWY PLOVER WY	\$5.0		

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CITY OF FERNLEY: LONG LINE STRIPING ONLY

CHISHOLM TRAIL	\$7.0
COMMERCE CENTER DR	\$8.0
E NEWLANDS DR	\$13.0 - 13.4
FREMONT ST	\$9.0
LYON DR	\$10.0
NV PACIFIC BLVD	\$11.0 - 11.1
NV PACIFIC PKWY	\$12.0 - 12.3
W NEWLANDS DR	\$14.0 - 14.1



REV	DATE	DESCRIPTION	BY

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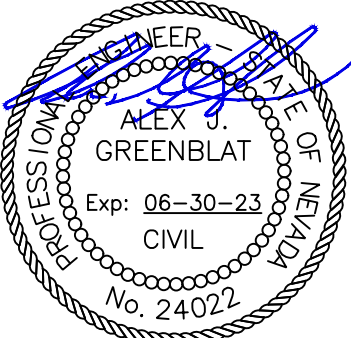
**FY 21/22 PMP MAINTENANCE PROJECT
ANNUAL LONG LINE STRIPING
VICINITY MAP**

CITY OF FERNLEY

FERNLEY

LYON COUNTY

NEVADA



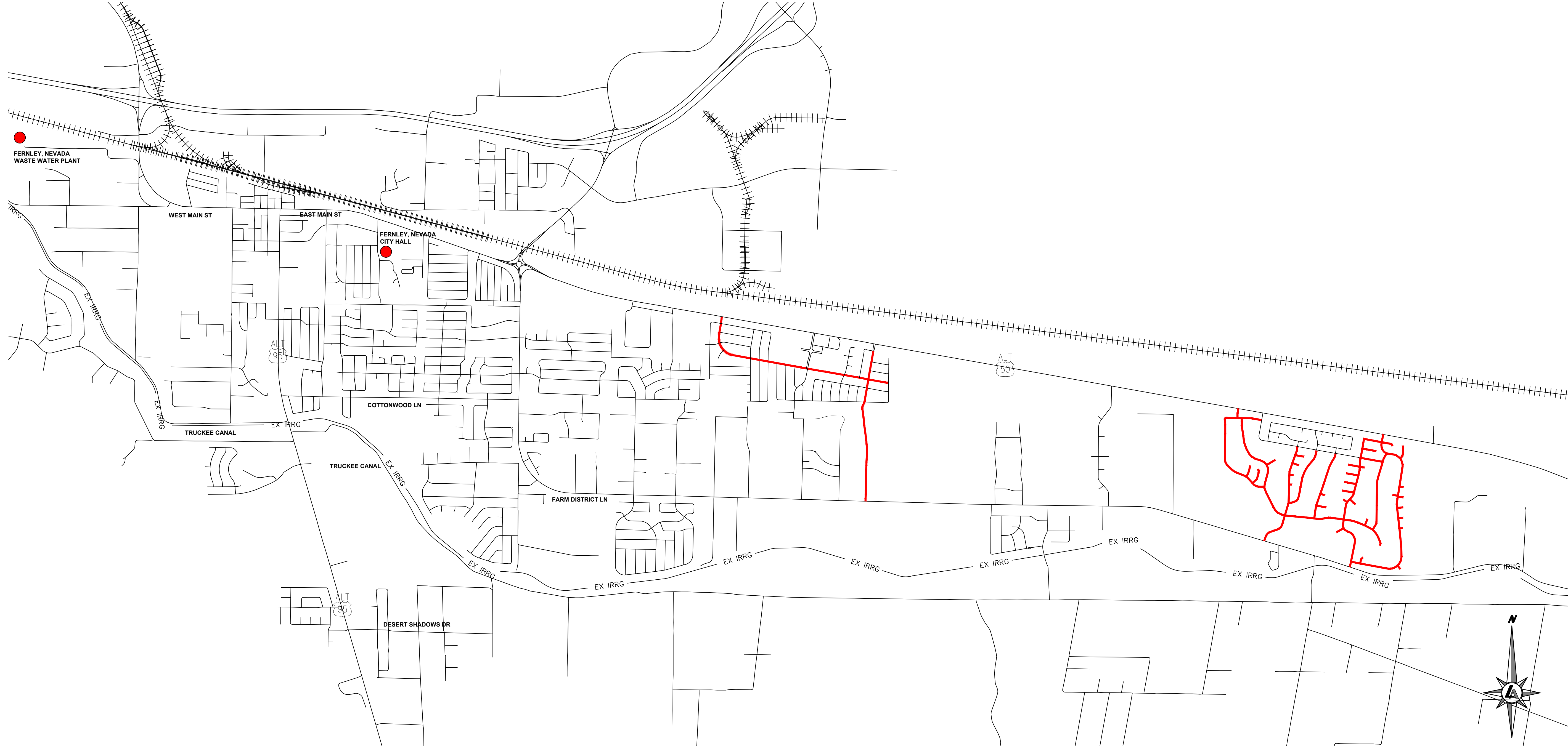
12/22/2021

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RENO, NV 89521
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12/21/2021 11:28 am mpellegrino



CITY OF FERNLEY: CRACK SEAL ONLY

- 1 IRON CT

3 IRON CT

5 IRON CT

7 IRON CT

ART CT

BENS WY (SOUTH)

BUNKER CT

DESERT LAKES DR (MIDDLE)

DIVOT DR (EAST)

DIVOT DR (WEST)

DOG LEG DR

EAGLE CT

GOLF CT

KIM CT

MARY CT

PATRICK CT

PRO CT

RALPH CT

RAY CT

SLICE CT

TURF CT

CITY HALL PARKING LOT

EMIGRANT WY
- 2 IRON CT

4 IRON CT

6 IRON CT

8 IRON CT

BENS WY (NORTH)

BOGIE CT

CHEYENNE CT

DESERT LAKES DR (SOUTH)

DIVOT DR (MIDDLE)

DIXIE LN (SOUTH)

DRIVER CT

GEM CT

JULIA LN (EAST)

LOU CT

MARY LOU LN (SOUTH)

PEPPER LN

PUTTER CT

RANDY CT

ROLAND CT

TEE CT

WEDGE LN

FERNLEY WTP FACILITY

JESSICA WY

NOTE: STRIPING SIGNIFICANTLY COVERED BY
CRACK SEAL TO BE REPLACED



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CITY OF FERNLEY
FY 21/22 PMP MAINTENANCE PROJECT
CRACK SEAL AND STRIPING ONLY
VICINITY MAP
LYON COUNTY
NEVADA
FERNLEY

REV	DATE	DESCRIPTION	BY

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CITY OF FERNLEY: PAVEMENT MAINTENANCE SHEET INDEX

PAVEMENT MAINTENANCE PLAN

OPTION 1		
APPALOOSA WY	OP1.0	
FARGO WY	OP1.0	
PALOMINO DR	OP1.0	
PIONEER CT	OP1.0	
SUZANNE CT	OP1.0	
OPTION 2		
NADER WY	OP2.0	
PALOMINO DR	OP2.0	
SIERRA ST	OP2.0	
OPTION 3		
FARM CIR	OP3.0	
MICHAELSEN DR	OP3.0	
NADER WY	OP3.0	
SPRING DR	OP3.0 - 3.1	
OPTION 4		
BRITTANY CT	OP4.0	
MICHAELSEN DR	OP4.0 - 4.1	
RANCH RD	OP4.0 - 4.1	
TODD CT	OP4.0	
VANCE DR	OP4.0	

STRIPING PLAN

OPTION 1		
APPALOOSA WY	OS1.0	
FARGO WY	OS1.0	
PALOMINO DR	OS1.0	
PIONEER CT	OS1.0	
SUZANNE CT	OS1.0	
OPTION 2		
NADER WY	OS2.0	
PALOMINO DR	OS2.0	
SIERRA ST	OS2.0	
OPTION 3		
FARM CIR	OS3.0	
MICHAELSEN DR	OS3.0	
NADER WY	OS3.0	
SPRING DR	OS3.0 - 3.1	
OPTION 4		
BRITTANY CT	OS4.0	
MICHAELSEN DR	OS4.0 - 4.1	
RANCH RD	OS4.0 - 4.1	
TODD CT	OS4.0	
VANCE DR	OS4.0	

OPTION 1

OPTION 2

OPTION 3

OPTION 4



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CITY OF FERNLEY

FY 21/22 PMP MAINTENANCE PROJECT
OPTION 1 - 4
SHEET INDEX AND VICINITY MAP

NEVADA
LYON COUNTY
FERNLEY

REV	DATE	DESCRIPTION	BY

ISSUED FOR BIDDING
JANUARY 5, 2022

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CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council

REPORT THRU: Daphne Hooper, City Manager

REPORT FROM: Kari Weitzel

FINANCIAL IMPACT:	CURRENTLY BUDGETED:	FUND/ACCOUNT:
Yes:X No:	Yes:X No:	510-810-698

ACTION REQUESTED: Consent

AGENDA ITEM: (For Possible Action):

(For Possible Action) Authorize the execution of the Water Right Banking and Dedication Agreement with Genica Shadow Hills, LLC, APN 021-121-19, TCID serial number 1017-B in the amount of 20.115 acre feet.

AGENDA ITEM BRIEF:

Staff is seeking Council approval to authorize the execution of the Water Right Banking and Dedication Agreement with Genica Shadow Hills, LLC, APN 021-121-19, TCID serial number 1017-B in the amount of 20.115 acre feet.

RECOMMENDED MOTION:

"I move to authorize the to authorize the execution of the Water Right Banking and Dedication Agreement Genica Shadow Hills, LLC, APN 021-121-19, TCID serial number 1017-B in the amount of 20.115 acre feet."

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 could choose to reject the dedication of water rights. This alternative is not recommended by staff and would be contrary to existing city policies.

BACKGROUND:

It is policy for the City of Fernley to have City Council approve all water right dedication agreements.

Genica Shadow Hills, LLC is proposing to dedicate 20.115 acre-feet of water rights appurtenant to APN 021-121-19 (TCID Serial Number 1017-B) to the City of Fernley. The deed and dedication package were reviewed and approved by Taggart and Taggart, Ltd. The water will be used to support future development projects.

LEGAL IMPLICATIONS:

FMC 32.09.035 requires developers to dedicate sufficient water rights to support their proposed development projects. Water dedicated to the City and banked under a banking agreement such as the one proposed here may be used to meet that requirement.

FINANCIAL IMPLICATIONS:

This dedication is being made to support future will serve commitment requests. Pursuant to prior Council direction on December 3, 2014, the City will cover all legal and engineering costs associated with the dedication.

ATTACHMENTS:

1. 2022.02.16 Genica Shadow Hills, LLC Agreement SR
2. Genica Shadow Hills Dedication Agreement
3. Genica Shadow Hills Draft Deed
4. Fernley TCID Genica Shadow Hills (002)



CITY OF FERNLEY
CITY COUNCIL
AGENDA REPORT

Meeting Date: March 2, 2022

REPORT TO: Mayor and City Council
REPORT THRU: Derek Starkey, City Engineer
REPORT FROM: Kari Weitzel, Admin III
REVIEWED BY: David Rigdon, Special City Water Attorney
REVIEWED BY: Denise Lewis, City Treasurer

FINANCIAL IMPACT:

Yes: ☒ No: ☐

CURRENTLY BUDGETED:

Yes: ☒ No: ☐

FUND/ACCOUNT:

510-810-698

ACTION REQUESTED: ☒ Consent ☐ Ordinance ☐ Resolution ☐ Motion ☐ Receive/File

AGENDA ITEM: Staff Report (For Possible Action):

Possible action to authorize the execution of the Water Right Banking and Dedication Agreement with Genica Shadow Hills, LLC, APN 021-121-19, TCID serial number 1017-B in the amount of 20.115 acre feet.

Business Impact (per NRS Chapter 237):

☐ A Business Impact Statement is Attached.

☒ 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).

Agenda Item Brief:

Staff is seeking Council approval to authorize the execution of the Water Right Banking and Dedication Agreement with Genica Shadow Hills, LLC, APN 021-121-19, TCID serial number 1017-B in the amount of 20.115 acre feet.

See attached report for background, analysis, alternatives.

RECOMMENDED MOTION:

“I move to authorize the to authorize the execution of the Water Right Banking and Dedication Agreement Genica Shadow Hills, LLC, APN 021-121-19, TCID serial number 1017-B in the amount of 20.115 acre feet.”

ALTERNATIVES:

The City Council could choose to reject the dedication of water rights. This alternative is not recommended by staff and would be contrary to existing city policies.

PROJECT SUMMARY:

1. This dedication of Water Rights will assist in Fernley’s quest to protect our most valuable resource and support the City’s economic development goals.
2. Dedicated water rights will be used for future development.

BACKGROUND:

It is policy for the City of Fernley to have City Council approve all water right dedication agreements.

Genica Shadow Hills, LLC is proposing to dedicate 20.115 acre-feet of water rights appurtenant to APN 021-121-19 (TCID Serial Number 1017-B) to the City of Fernley. The deed and dedication package were reviewed and approved by Taggart and Taggart, Ltd. The water will be used to support future development projects.

ANALYSIS:

None.

FINDINGS:

None.

LEGAL IMPLICATIONS:

FMC 32.09.035 requires developers to dedicate sufficient water rights to support their proposed development projects. Water dedicated to the City and banked under a banking agreement such as the one proposed here may be used to meet that requirement.

FINANCIAL IMPLICATIONS:

This dedication is being made to support future will serve commitment requests. Pursuant to prior Council direction on December 3, 2014, the City will cover all legal and engineering costs associated with the dedication.

ATTACHMENTS:

- **Draft Water Rights Banking and Dedication Agreement**
- **Draft Water rights Grant, Bargain, and Sale Deed**

**WATER RIGHTS BANKING
AND DEDICATION AGREEMENT**

This Water Rights Banking and Dedication Agreement made as of the ____ day of _____, 2022 (this “Agreement”), by and between GENICA SHADOW HILLS, LLC, a Nevada limited liability company (the “Dedicator”) and the CITY OF FERNLEY, a political subdivision of the State of Nevada (the “City”), for the purpose of dedicating and banking certain water rights.

R E C I T A L S

WHEREAS, the City owns and operates a water distribution system located in the City of Fernley, Lyon County; and

WHEREAS, the Dedicator desires to transfer certain water rights to the City as described in Section 2 of this Agreement (the “Water Rights”), to be reserved and credited towards future water utility service requirements; and

WHEREAS, the City is willing to accept the Water Rights to be utilized by the Dedicator for future development requirements within the City’s water utility service area, as it may change from time to time; and

WHEREAS, the Dedicator may desire to assign its rights to apply the Water Rights towards future water utility service requirements to an assignee (the “Assignee”); and

WHEREAS, the City will accept the Water Rights in lieu of the provision of new water rights when an application for water utility service is made in the future by the Dedicator or the Assignee, thereby satisfying one of the pre-conditions for water utility service (i.e. the provision of a water right).

NOW, THEREFORE, it is hereby agreed between the Dedicator and City as follows:

1. **Dedication of Water Rights and Facilities.** The Dedicator hereby agrees to dedicate the Water Rights to the City. The Dedicator and the Assignee agree and understand that dedication of the Water Rights is a condition precedent to receiving a will-serve commitment for water utility service from the City. The parties further agree that:
 - (a) The quantity of surface or ground water rights reasonably necessary to insure an adequate water supply to the subject property is independently determined by the City. The Dedicator and Assignee understand and agree that the determination of the quantity of surface or ground water rights necessary to serve any proposed development will be made at such time as the Dedicator or Assignee request a will serve commitment for the development in accordance with the ordinances, resolutions, statutes, standards, and policies in effect at the time the request for a

will serve commitment is made. In addition, the parties agree and understand that the City has no obligation to independently obtain the necessary water rights to fulfill a will-serve commitment;

- (b) Any facilities for water treatment, supply, storage, transmission and distribution, treatment and disposal, and appurtenances (such as wells, pipelines, pumps and storage tanks), located within or outside of the property for which future will-serve commitments are sought, that are requested and which are reasonably necessary to insure an adequate water supply to the property, will be constructed by the Dedicator or the Assignee, and dedicated to the City; and
- (c) Any easement or legal access reasonably necessary to insure an adequate water supply to the property will also be dedicated from the Dedicator or the Assignee to the City as part of the grant of will-serve commitments.

2. **Dedicated Water Rights.** The Water Rights dedicated by this Agreement are described as follows:

A Twenty and One Hundred Fifteen one-thousandths (20.115) acre-foot/annually portion of Truckee-Carson Irrigation District Serial Number 1017-B. Said water rights are appurtenant to that certain real property located in Lyon County, State of Nevada described as Lyon County Assessor Parcel Number 021-121-19 and further described as follows:

All that real property situate in the County of Lyon, State of Nevada described as follows:

Parcel B2, as shown on the Parcel Map for the Wendal Lehman Trust, recorded in the Official Records of Lyon County, Nevada, on May 26, 2009, as Document No. 442838.

3. **Revegetation Requirements.** As a condition of receiving water right dedications in exchange for utility service, any lands which are being irrigated within the existing place of use of the Dedicated Water Rights, and which will no longer be a place of use of the Dedicated Water Rights, must be re-vegetated pursuant to a re-vegetation plan approved by the City. The intent of this requirement is to prevent formerly irrigated lands from becoming dust and erosion hazards when the land is no longer irrigated. This requirement does not apply to land which is the existing place of use if that land will become a subdivision, or other use that will maintain ground cover.

- (a) As part of any dedication, the City will determine whether revegetation of formerly irrigated land is required, and if re-vegetation is required, the Dedicator of the water rights, or its assignee, will submit a plan for re-vegetation that will be reviewed and approved by the City.

- (b) A re-vegetation plan must be prepared by a qualified agricultural engineer or the equivalent, and must outline the method by which permanent ground cover will be established. The re-vegetation plan shall provide for the application of a suitable seed mixture susceptible to natural germination in the climatic conditions existing on the formerly irrigated land. The re-vegetation plan shall be deemed fully performed upon the first to occur of the following:
 - (i) The City's written confirmation that the re-vegetation plan has been fully performed or
 - (ii) The Dedicator or its assignee, as the case may be, diligently and in compliance with the re-vegetation plan causes not less than two applications of the approved seed mixture to be placed upon the formerly irrigated land without success during a period of thirty (30) months following the date of dedication of the applicable water rights.
 - (c) The goal of a re-vegetation plan is to establish natural ground cover that will limit dust and erosion and can be sustained in Fernley's climatic conditions without human assistance.
 - (d) For each water right that is dedicated to the City of Fernley from land that it is determined by the City to require re-vegetation, the City of Fernley will hold back a portion of the water right, in an amount equal to ten (10) percent of the total water right, from the issuance of will serve commitments until the City of Fernley has approved the actual re-vegetation of the property at issue. Once the City of Fernley has approved the actual re-vegetation on a former place of use for a dedicated water right, the ten (10) percent portion of the Water Right held back pursuant to this section will be made available for future will serve commitments.
4. **Annexation.** If water utility service is requested by the Dedicator or the Assignee from the City outside the city limits of the City, and the Dedicator or the Assignee desires to use the Water Rights to satisfy the water right dedication requirements for water utility service, the City will determine whether it is appropriate to annex that property and will only provide water utility service if the area is annexed into the City.
- (a) If annexation is necessary, the Dedicator or the Assignee is responsible for any and all annexation costs and fees in the same manner as any other person or entity requesting that property be annexed to the City.
 - (b) If annexation is necessary, all line extensions, water distribution systems and upgrades shall be constructed to the standard required by the City, and the Dedicator or Assignee shall pay all hook-up fees and complete all required improvements that the City determines are reasonably necessary to service the property.

5. **Banking.** The Water Rights dedicated to the City under this Agreement shall be available for use in the satisfaction of the water right dedication requirement that is a pre-condition to receiving water utility service from the City. Once the water rights have been dedicated to the City, the City will maintain those rights in an account as a credit for the Dedicator for the term of this agreement, including any renewal period.
- (a) During the term of this agreement, including any renewal period, the Dedicator and the Assignee may request will-serve commitments for water utility service from the City. The Water Rights that are held by the City pursuant to this Agreement may be used to satisfy the water dedication requirement that exists at the time of the request for the will-serve commitments.
 - (b) **Place of Will-Serve Commitments.** The Dedicator and the Assignee may request will-serve commitments for water utility service from the City anywhere within the City's water utility service area. Will-serve commitments may be requested for property to which the Water Rights are not appurtenant.
 - (c) **Assignment of Banked Credits.** The Dedicator's banked credits that are held in an account with the City may be assigned to an Assignee. Upon the execution of an assignment agreement with the Assignee, the City will allow the Assignee to receive the credits as satisfaction of the water right dedication requirement in existence when the Assignee applies for will-serve commitments from the City for water utility service.
 - (d) **City Consent to Assignment.** The assignment of banked credits includes the assignment of all rights and obligations under this Agreement, and requires the consent of the City. An assignment of banked credits created by this Agreement is invalid without the City's consent. Consent may only be withheld by the City if the Assignee does not agree to comply with the terms of this Agreement. All fees and costs assessed against banked water rights, if any, shall be paid to the City prior to any assignment of banked credits. No assignment agreement will be valid unless and until such costs are reimbursed.
 - (e) **Reduction in Banked Credits.** The City will file an application to change the manner of use and place of use of the Water Rights to municipal uses in the City's water utility service area. If the State Engineer determines, or if appeal from such a ruling by the State Engineer determines, that the total number of acre-feet that can be used by the City for municipal uses in its water utility service area is less than the amount of Water Rights that are dedicated under this Agreement, the City will reduce the credits that are accounted to the Dedicator by the amount of the reduction in the State Engineer's ruling, or in the appeal from such a ruling.
6. **Change Applications.** Dedicator recognizes that the manner of use and place of use of the Water Rights must be changed to allow for municipal use in the City. Change applications that change the points of diversion, manner and place of use of the Water

Rights will be prepared so that the Water Rights may be utilized for municipal purposes within the City's water utility service area as its boundaries are currently set and as they may be expanded through annexation.

- (a) At the option of the Dedicator, the City may prepare all required change applications.
 - (b) If the Dedicator elects to prepare the required change applications, they must be completed, along with appropriate maps and documentation, to the City's satisfaction and delivered to the City for submittal to the State Engineer by and on behalf of the City.
 - (c) The City shall pay all associated statutory fees relating to the filing and approval of the Change Application, including but not limited to the application filing fees, permit fees, and certificate fees.
7. **Use of Dedicated Water Rights.** Dedicator and Assignee agree and acknowledge that the City receives the dedication of Water Rights that are the subject of this agreement free and clear of any encumbrances or liens and that as a result of such dedication the City shall be the sole holder of legal title to such Water Rights. Accordingly, the City may perform any action that a holder of such Water Rights is legally allowed to perform including, without limitation, hypothecation, rental, or lease of the dedicated Water Rights to a third party; and any revenue collected pursuant to such agreements may be utilized by the City at its sole and complete discretion. The parties agree that the City may, by contract or written agreement, permit the use of the Water Rights by other governmental entities, public or private utilities, or any other person or entity, including those engaged in providing water, storm drainage or sewer service. The Parties agree that in exchange for the dedication of Water Rights pursuant to this Agreement, the Dedicator or Assignee shall have the ability, pursuant to Section 5, to use the dedicated Water Rights to satisfy the water right dedication requirement that is a pre-condition to receiving water utility service from the City, however, nothing in this agreement shall be construed as creating an encumbrance or lien on the title of the dedicated Water Rights in favor of Dedicator or Assignee. The Parties further agree that the City reserves the right to satisfy its obligation to provide water service to Dedicator or Assignee in any manner that the City, at its sole discretion and consistent with Nevada Law and the Fernley Municipal Code, determines best serves the interests of the City water system.
8. **Facilities Standards.** Any facilities that are subject to this Agreement shall be designed and constructed in accordance with standards and other requirements prescribed by the City as a condition to provision of water utility service.
9. **Approval of Service Conditional.** Every will-serve notification and administrative approval of applications for water utility service is conditioned upon the acceptance of the dedication, and the satisfaction of all other service requirements that are established by local ordinance or state law. Any application or renewal, including applications for

extension of will-serve commitments is subject to the provisions herein. The parties agree that:

- (a) The City is the final authority in determining the number of will-serve commitments which may be granted by the City; and
- (b) The City is the final authority regarding the number of will serves that may be serviced by the Water Rights for any development. Such determination shall be based on the criteria established by the City and further established by the State Engineer.

10. **Term of Agreement.** The term of this Agreement shall be for a period of twenty-five (25) years and shall be renewable for one successive twenty-five (25) year period upon application of the Dedicator or the Assignee, and the approval of the City.

- (a) It is further understood and agreed between the City and the Dedicator that the Parties must agree to renew this agreement for the subsequent twenty-five year period. The City's decision to approve or reject a renewal of this agreement must be made pursuant to a vote by the Fernley City Council.
- (b) The City may reject approval of a renewal of this Agreement **only** if:
 - (i) The City sends notice of the expiration of the initial twenty-five year term to the record owner of the Water Rights and receives no response within thirty (30) days of such notice; and
 - (ii) The Dedicator has not complied with the obligations included in this Agreement or does not agree to comply with the obligations of this Agreement during the renewal term of this Agreement.
- (c) In the event that this Agreement is terminated, or expires pursuant to the provisions of this section, the City shall retain the title to the Water Rights, regardless of whether the Water Rights have been credited to an existing will-serve commitment.

11. **Notice.** Any notice required pursuant to this Agreement shall be sent via certified mail to the address listed below. Each Party is responsible for informing the other Party of any change in address. Notices from the City, including but not limited to notice of expiration of the 25-year term of this Agreement, shall be made to the address listed below, or to an updated address provided by the Dedicator or Assignee.

Dedicator

Kelly Flodman

City of Fernley

Department of Public Works

795 E. Main St. _____

595 Silver Lace Boulevard _____

Fernley, NV 89408 _____

Fernley, NV 89408 _____

12. **General Conditions.**

- (a) **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument.
- (b) **Governing Law.** This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Nevada applicable to agreements made and to be performed wholly within the State of Nevada.
- (c) **Venue.** Any action or proceeding concerning the rights or responsibilities of the parties to this Agreement shall be heard and entertained in the State district court in Lyon County, Nevada.
- (d) **Entire Agreement.** This Agreement (including any exhibits attached hereto) constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto, including without limitation, that certain memorandum of understanding between the parties. This Agreement may not be modified, changed or supplemented, nor may any obligations hereunder be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. The parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the parties hereto.
- (e) **Survivability.** The parties' rights and responsibilities under this Agreement shall survive the conveyance of the Water Rights by the Dedicator to the City.
- (f) **Waivers; Extensions.** No waiver of any breach of any agreement or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other agreement or provision herein contained. No extension of time for performance of any obligations or acts shall be deemed an extension of the time for performance of any other obligations or acts.
- (g) **Non-Waiver of Rights.** No failure or delay of either party in the exercise of any right given to such party hereunder shall constitute a waiver thereof unless the time specified herein for exercise of such right has expired, nor shall any single or partial exercise of any right preclude any other or further exercise thereof or of any other right. The waiver of any breach hereunder shall not be deemed to be a waiver of any other or any subsequent breach hereof.

- (h) **Further Assurances.** The parties agree to do such further acts and things and to execute and deliver such additional agreements and instruments as the other may reasonably require to consummate, evidence or confirm the dedication of the above reference water rights or any other agreement contained herein in the manner contemplated hereby.
- (i) **Successors and Assigns: Assignment.** This Agreement shall be binding upon and shall inure to the benefit of each of the City and the Dedicator and to their respective heirs, successors and assigns.
- (i) The City shall have the right to assign its interest in this Agreement in whole or in part to any successor agency, subsidiary, or entity with jurisdiction to supply water service to customers within the City of Fernley, in which case, the references to the City herein shall include such assignee, and provided that such assignee assumes all of the obligations of the City under this Agreement by written instrument.
- (ii) Any such assignment shall not relieve any party of its obligations under this Agreement. Any attempt to transfer, convey or assign this Agreement other than as provided herein shall be null and void.
- (j) **Time.** Time is of the essence in respect to each and every particular of this Agreement. Any time period to be computed pursuant to this Agreement shall be computed by excluding the first day and including the last. If the last day falls on a Saturday, Sunday or holiday, the last day shall be extended until the next business day that the City is open for business, but in no case will the extension be for more than four (4) days.
- (k) **Severability.** The determination that any covenant, agreement, condition or provision of this Agreement is invalid shall not affect the enforceability of the remaining covenants, agreements, conditions or provisions hereof and, in the event of such determination, this Agreement shall be construed as if such invalid covenant, agreement, condition or provision were not included herein.
- (l) **Delivery of Deed and Warranty.** The Dedicator shall deliver a Water Rights Grant Bargain and Sale Deed conveying and dedicating the Water Rights to the City at the time of the execution of this Agreement. Further, the Dedicator shall warrant that it is the legal owner of the Water Rights.
- (m) **Indemnification.** The Dedicator and the Assignee agree, jointly and severally, to indemnify the City at all times and hold the City harmless in respect of any claims, damages or losses (including, without limitation, attorney's fees and costs), whether known or unknown, disclosed or undisclosed, arising from, by reason of or in connection with any part or portion of this Agreement. Dedicator hereby represents

and warrants it has not sold, assigned, transferred, conveyed, hypothecated, pledged, or otherwise disposed of or encumbered the water rights transferred herein except as provided in this Agreement. Dedicator acknowledges that in the event that any claim or dispute relating to the title of the water rights renders such water rights unusable within, or unavailable to, the City's water delivery system, the City may, at its sole discretion and in addition to any other remedies provided for by law, rescind this Agreement and withhold the will-serve commitments provided for herein. In the event that such will-serve commitments have already been issued, the City, in addition to any other remedies provided by law, may require Dedicator or Assignee, jointly or severally, to immediately acquire and dedicate to the City the same quantity and quality of water rights as the water rights rendered unusable within, or unavailable to, the City's water delivery system and/or the City may assign any other banked or reserved water rights in which Dedicator or Assignee have a beneficial interest, and that remain uncommitted to will-serve commitments, to the will-serve commitments already issued pursuant to this Agreement.

- (n) **Attorney's Fees.** In the event of any litigation between the parties hereto arising out of this Agreement, or if one party seeks to judicially enforce the terms of this Agreement, the prevailing party shall be reimbursed for all reasonable costs, including, but not limited to, reasonable attorney's fees.

[Signature Pages Follow]

Agreed upon the date set forth above between the following parties:

City of Fernley

Dedicator

Mayor of Fernley

Dedicator: Larry Les
Director of Stonewater Ventures (No. 247)
Ltd. who is the Manager of Genica Shadow
Hills, LLC

Date

Date

Attested:

City Clerk

The undersigned hereby affirms that there is no Social Security number contained in this document

LYON CO. APN: 021-121-19

RECORDING REQUESTED BY:

City of Fernley
595 Silver Lace Blvd
Fernley, NV 89408

AFTER RECORDATION RETURN TO:

City of Fernley
595 Silver Lace Blvd
Fernley, NV 89408

SPACE ABOVE THIS LINE FOR RECORDER'S USE

WATER RIGHTS GRANT, BARGAIN, & SALE DEED

THIS WATER RIGHTS DEED is made and entered into this ____ day of _____, 2022, to convey the below-mentioned water rights from GENICA SHADOW HILLS, LLC, a Nevada limited liability company (hereinafter referred to as "GRANTOR") to the CITY OF FERNLEY, a political subdivision of the State of Nevada (hereinafter referred to as "GRANTEE")

WITNESSETH:

That said GRANTOR, for and in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States of America, and for other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, and convey to the GRANTEE, and to their successors, heirs, and assigns forever, all of GRANTOR's right, title, and interest in and to those certain waters and water rights situate in Lyon County, State of Nevada, as described as follows, to wit:

A Twenty and One Hundred Fifteen one-thousandths (20.115) acre-foot/annually portion of Truckee-Carson Irrigation District Serial Number 1017-B. Said water rights are appurtenant to that certain real property located in Lyon County, State of Nevada described as Lyon County Assessor Parcel Number 021-121-19 and further described as follows:

All that real property situate in the County of Lyon, State of Nevada described as follows:

Parcel B2, as shown on the Parcel Map for the Wendal Lehman Trust, recorded in the Official Records of Lyon County, Nevada, on May 26, 2009, as Document No. 442838.

This legal description appeared previously in Document No. 635634, recorded on April 16, 2021, Official Records of Lyon County, Nevada.

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and any reversions, remainders, rents, issues, or profits thereof.

TO HAVE AND TO HOLD, all and singular, the said water rights and the appurtenances, unto the said GRANTEE, and to their successors and assigns forever.

IN WITNESS WHEREOF the GRANTOR has hereunto executed this WATER RIGHTS GRANT, BARGAIN, & SALE DEED the day and year first written above.

DATED this ____ day of _____, 2022.

GRANTOR:

BY: _____

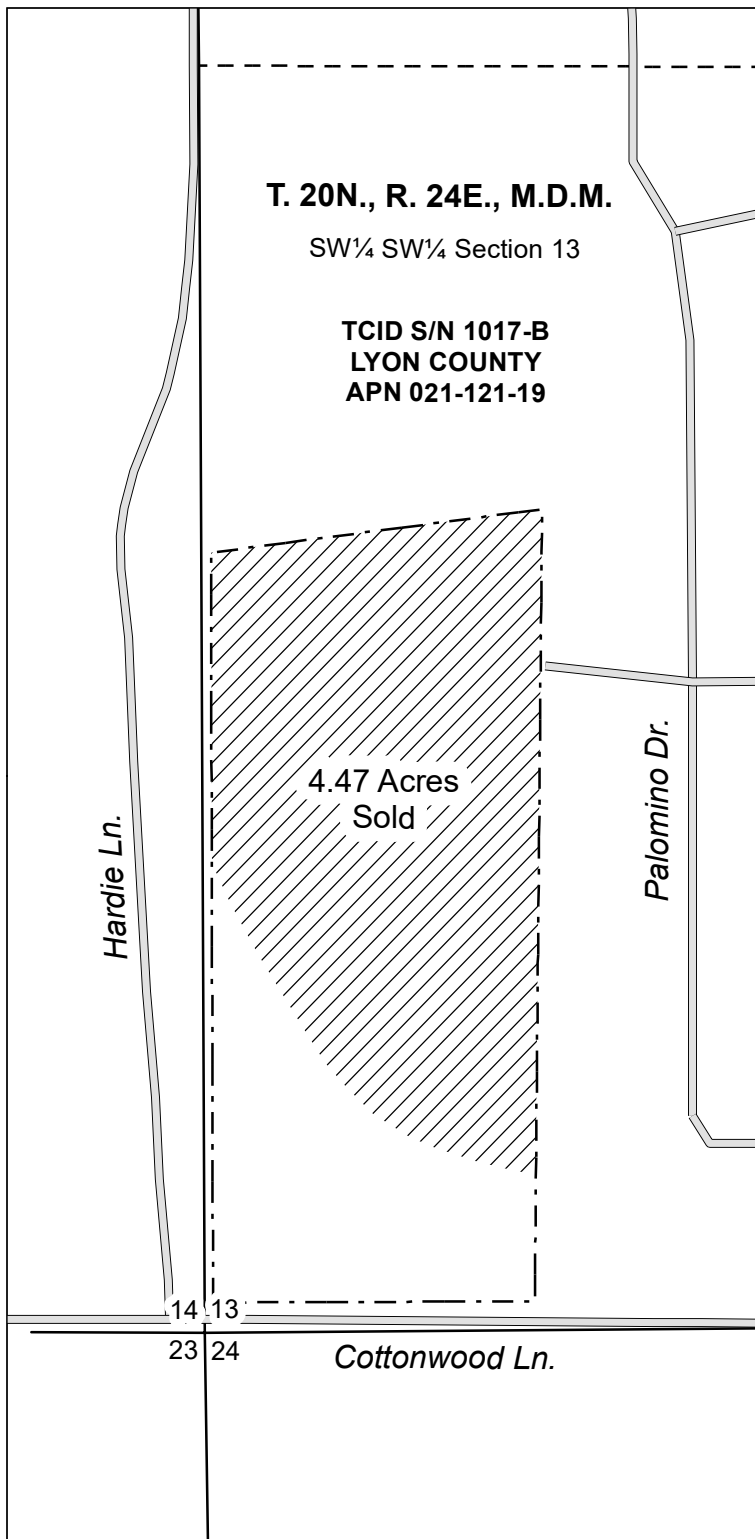
Larry Les
Director, Stonewater Ventures (No. 247) Ltd. who
is the Manager of Genica Shadow Hills, LLC

STATE OF _____)
: ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2022, by
Larry Les.

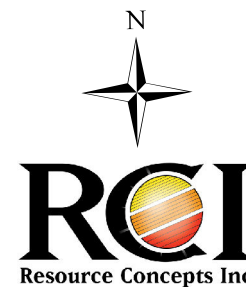
WITNESS my hand and official seal.

NOTARY PUBLIC



DESCRIPTION

AREA OF WATER RIGHTS TO BE SOLD	4.47 (AC)
VOLUME OF WATER RIGHTS TO BE SOLD	20.115 ACRE FEET ANNUALLY (AFA)
IRRIGATION DUTY	4.5 AFA/AC



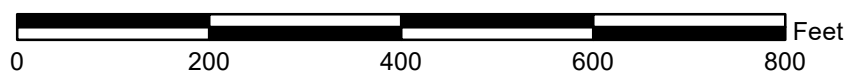
Map Compiled: 1/27/2022

- Roads
- Parcel Line
- 1/16 Section Line
- Section Line
- Area Sold

EXHIBIT A

WATER RIGHTS TO BE SOLD FROM
 TCID SERIAL #1017-B, APN 021-121-19
 WITHIN SW 1/4 SW 1/4 SECTION 13, T. 20N., R. 24E., M.D.M.

1 inch = 200 feet





CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council

REPORT THRU: Daphne Hooper, City Manager

REPORT FROM: Kari Weitzel

FINANCIAL IMPACT:	CURRENTLY BUDGETED:	FUND/ACCOUNT:
Yes:X No:	Yes:X No:	510-810-698

ACTION REQUESTED: Consent

AGENDA ITEM: (For Possible Action):

(For Possible Action) Authorize the execution of the Water Right Banking and Dedication Agreement with Russel Ferretto, APN 021-111-02, TCID serial number 1022 in the amount of 6.03 acre feet.

AGENDA ITEM BRIEF:

Staff is seeking Council approval to authorize the execution of the Water Right Banking and Dedication Agreement with Russel Ferretto, APN 021-111-02, TCID serial number 1022 in the amount of 6.03 acre feet.

RECOMMENDED MOTION:

"I move to authorize the to authorize the execution of the Water Right Banking and Dedication Agreement with Russel Ferretto, APN 021-111-02, TCID serial number 1022 in the amount of 6.03 acre feet."

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 could choose to reject the dedication of water rights. This alternative is not recommended by staff and would be contrary to existing city policies.

BACKGROUND:

It is policy for the City of Fernley to have City Council approve all water right dedication agreements.

Russell Ferretto is proposing to dedicate 6.03 acre feet of water rights appurtenant to Lyon County APN 021-111-02 (TCID Serial Number 1022) to the City of Fernley. The deed and dedication package were reviewed and approved by Taggart and Taggart, Ltd. The water will be used to support future development projects.

LEGAL IMPLICATIONS:

FMC 32.09.035 requires developers to dedicate sufficient water rights to support their proposed development projects. Water dedicated to the City and banked under a banking agreement such as the one proposed here may be used to meet that requirement.

FINANCIAL IMPLICATIONS:

This dedication is being made to support future will serve commitment requests. Pursuant to prior Council direction on December 3, 2014, the City will cover all legal and engineering costs associated with the dedication.

ATTACHMENTS:

1. 2022.02.16 Banking Agreement SR Ferrtetto to COF (2)
2. Ferretto Dedication Agreement No 2
3. Ferretto Draft Deed No. 2
4. Fernley TCID Ferretto 2_12-01-2021



CITY OF FERNLEY
CITY COUNCIL
AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council
REPORT THRU: Derek Starkey, City Engineer
REPORT FROM: Kari Weitzel, Admin III
REVIEWED BY: David Rigdon, Special City Water Attorney
REVIEWED BY: Denise Lewis, City Treasurer

FINANCIAL IMPACT:

Yes: ☒ No: ☐

CURRENTLY BUDGETED:

Yes: ☒ No: ☐

FUND/ACCOUNT:
510-810-698

ACTION REQUESTED: ☒ Consent ☐ Ordinance ☐ Resolution ☐ Motion ☐ Receive/File

AGENDA ITEM: Staff Report (For Possible Action):

Possible action to authorize the execution of the Water Right Banking and Dedication Agreement with Russel Ferretto, APN 021-111-02, TCID serial number 1022 in the amount of 6.03 acre feet.

Business Impact (per NRS Chapter 237):

- ☐ A Business Impact Statement is Attached.
- ☒ 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).

Agenda Item Brief:

Staff is seeking Council approval to authorize the execution of the Water Right Banking and Dedication Agreement with Russel Ferretto, APN 021-111-02, TCID serial number 1022 in the amount of 6.03 acre feet.

See attached report for background, analysis, alternatives.

RECOMMENDED MOTION:

“I move to authorize the to authorize the execution of the Water Right Banking and Dedication Agreement with Russel Ferretto, APN 021-111-02, TCID serial number 1022 in the amount of 6.03 acre feet.”

ALTERNATIVES:

The City Council could choose to reject the dedication of water rights. This alternative is not recommended by staff and would be contrary to existing city policies.

PROJECT SUMMARY:

1. This dedication of Water Rights will assist in Fernley’s quest to protect our most valuable resource and support the City’s economic development goals.

BACKGROUND:

It is policy for the City of Fernley to have City Council approve all water right dedication agreements.

Russell Ferretto is proposing to dedicate 6.03 acre feet of water rights appurtenant to Lyon County APN 021-111-02 (TCID Serial Number 1022) to the City of Fernley. The deed and dedication package were reviewed and approved by Taggart and Taggart, Ltd. The water will be used to support future development projects.

ANALYSIS:

None.

FINDINGS:

None.

LEGAL IMPLICATIONS:

FMC 32.09.035 requires developers to dedicate sufficient water rights to support their proposed development projects. Water dedicated to the City and banked under a banking agreement such as the one proposed here may be used to meet that requirement.

FINANCIAL IMPLICATIONS:

This dedication is being made to support future will serve commitment requests. Pursuant to prior Council direction on December 3, 2014, the City will cover all legal and engineering costs associated with the dedication.

ATTACHMENTS:

- **Draft Water Rights Banking and Dedication Agreement**

**WATER RIGHTS BANKING
AND DEDICATION AGREEMENT**

This Water Rights Banking and Dedication Agreement made as of the ____ day of _____, 2021 (this “Agreement”), by and between RUSSELL C. FERRETTO, an individual, (the “Dedicator”) and the CITY OF FERNLEY, a political subdivision of the State of Nevada (the “City”), for the purpose of dedicating and banking certain water rights.

R E C I T A L S

WHEREAS, the City owns and operates a water distribution system located in the City of Fernley, Lyon County; and

WHEREAS, the Dedicator desires to transfer certain water rights to the City as described in Section 2 of this Agreement (the “Water Rights”), to be reserved and credited towards future water utility service requirements; and

WHEREAS, the City is willing to accept the Water Rights to be utilized by the Dedicator for future development requirements within the City’s water utility service area, as it may change from time to time; and

WHEREAS, the Dedicator may desire to assign its rights to apply the Water Rights towards future water utility service requirements to an assignee (the “Assignee”); and

WHEREAS, the City will accept the Water Rights in lieu of the provision of new water rights when an application for water utility service is made in the future by the Dedicator or the Assignee, thereby satisfying one of the pre-conditions for water utility service (i.e. the provision of a water right).

NOW, THEREFORE, it is hereby agreed between the Dedicator and City as follows:

1. **Dedication of Water Rights and Facilities.** The Dedicator hereby agrees to dedicate the Water Rights to the City. The Dedicator and the Assignee agree and understand that dedication of the Water Rights is a condition precedent to receiving a will-serve commitment for water utility service from the City. The parties further agree that:
 - (a) The quantity of surface or ground water rights reasonably necessary to insure an adequate water supply to the subject property is independently determined by the City. The Dedicator and Assignee understand and agree that the determination of the quantity of surface or ground water rights necessary to serve any proposed development will be made at such time as the Dedicator or Assignee request a will serve commitment for the development in accordance with the ordinances, resolutions, statutes, standards, and policies in effect at the time the request for a

will serve commitment is made. In addition, the parties agree and understand that the City has no obligation to independently obtain the necessary water rights to fulfill a will-serve commitment;

- (b) Any facilities for water treatment, supply, storage, transmission and distribution, treatment and disposal, and appurtenances (such as wells, pipelines, pumps and storage tanks), located within or outside of the property for which future will-serve commitments are sought, that are requested and which are reasonably necessary to insure an adequate water supply to the property, will be constructed by the Dedicator or the Assignee, and dedicated to the City; and
- (c) Any easement or legal access reasonably necessary to insure an adequate water supply to the property will also be dedicated from the Dedicator or the Assignee to the City as part of the grant of will-serve commitments.

2. **Dedicated Water Rights.** The Water Rights dedicated by this Agreement are described as follows:

A six and three one-hundredths (6.03) acre-foot/annually portion of Truckee-Carson Irrigation District Serial Number 1022. Said water rights are appurtenant to that certain real property located in Lyon County, State of Nevada described as Lyon County Assessor Parcel Number 021-111-02 and further described as follows:

All that real property situate in the County of Lyon, State of Nevada described as follows:

The Westerly portion of that parcel of land situated in the Northeast quarter, Section 13, Township 20 North, Range 24 East, M.D.B.&M., lying north of U.S. irrigation ditch lateral ext. "K3B", more particularly described as follows:

Beginning at the Northwest corner of the Northeast quarter, Southeast quarter, Section 13, Township 20 North, Range 24 East, M.D.B.&M.; thence along the North line of said Northeast quarter, Southeast quarter, Section 13, South 89° 50' East, 454.70 feet; thence South 00° 58' 56" East, 561.08 feet to the center line of U.S. irrigation ditch lateral ext. "K3B"; thence along center line of said irrigation ditch South 83° 00' West, 484.20 feet; thence North 01° 30' East, 621.54 feet to the point of beginning.

3. **Revegetation Requirements.** As a condition of receiving water right dedications in exchange for utility service, any lands which are being irrigated within the existing place of use of the Dedicated Water Rights, and which will no longer be a place of use of the Dedicated Water Rights, must be re-vegetated pursuant to a re-vegetation plan approved by the City. The intent of this requirement is to prevent formerly irrigated lands from

becoming dust and erosion hazards when the land is no longer irrigated. This requirement does not apply to land which is the existing place of use if that land will become a subdivision, or other use that will maintain ground cover.

- (a) As part of any dedication, the City will determine whether revegetation of formerly irrigated land is required, and if re-vegetation is required, the Dedicator of the water rights, or its assignee, will submit a plan for re-vegetation that will be reviewed and approved by the City.
 - (b) A re-vegetation plan must be prepared by a qualified agricultural engineer or the equivalent, and must outline the method by which permanent ground cover will be established. The re-vegetation plan shall provide for the application of a suitable seed mixture susceptible to natural germination in the climatic conditions existing on the formerly irrigated land. The re-vegetation plan shall be deemed fully performed upon the first to occur of the following:
 - (i) The City's written confirmation that the re-vegetation plan has been fully performed or
 - (ii) The Dedicator or its assignee, as the case may be, diligently and in compliance with the re-vegetation plan causes not less than two applications of the approved seed mixture to be placed upon the formerly irrigated land without success during a period of thirty (30) months following the date of dedication of the applicable water rights.
 - (c) The goal of a re-vegetation plan is to establish natural ground cover that will limit dust and erosion and can be sustained in Fernley's climatic conditions without human assistance.
 - (d) For each water right that is dedicated to the City of Fernley from land that it is determined by the City to require re-vegetation, the City of Fernley will hold back a portion of the water right, in an amount equal to ten (10) percent of the total water right, from the issuance of will serve commitments until the City of Fernley has approved the actual re-vegetation of the property at issue. Once the City of Fernley has approved the actual re-vegetation on a former place of use for a dedicated water right, the ten (10) percent portion of the Water Right held back pursuant to this section will be made available for future will serve commitments.
4. **Annexation.** If water utility service is requested by the Dedicator or the Assignee from the City outside the city limits of the City, and the Dedicator or the Assignee desires to use the Water Rights to satisfy the water right dedication requirements for water utility service, the City will determine whether it is appropriate to annex that property, and will only provide water utility service if the area is annexed into the City.

- (a) If annexation is necessary, the Dedicator or the Assignee is responsible for any and all annexation costs and fees in the same manner as any other person or entity requesting that property be annexed to the City.
 - (b) If annexation is necessary, all line extensions, water distribution systems and upgrades shall be constructed to the standard required by the City, and the Dedicator or Assignee shall pay all hook-up fees and complete all required improvements that the City determines are reasonably necessary to service the property.
5. **Banking.** The Water Rights dedicated to the City under this Agreement shall be available for use in the satisfaction of the water right dedication requirement that is a pre-condition to receiving water utility service from the City. Once the water rights have been dedicated to the City, the City will maintain those rights in an account as a credit for the Dedicator for the term of this agreement, including any renewal period.
- (a) During the term of this agreement, including any renewal period, the Dedicator and the Assignee may request will-serve commitments for water utility service from the City. The Water Rights that are held by the City pursuant to this Agreement may be used to satisfy the water dedication requirement that exists at the time of the request for the will-serve commitments.
 - (b) **Place of Will-Serve Commitments.** The Dedicator and the Assignee may request will-serve commitments for water utility service from the City anywhere within the City's water utility service area. Will-serve commitments may be requested for property to which the Water Rights are not appurtenant.
 - (c) **Assignment of Banked Credits.** The Dedicator's banked credits that are held in an account with the City may be assigned to an Assignee. Upon the execution of an assignment agreement with the Assignee, the City will allow the Assignee to receive the credits as satisfaction of the water right dedication requirement in existence when the Assignee applies for will-serve commitments from the City for water utility service.
 - (d) **City Consent to Assignment.** The assignment of banked credits includes the assignment of all rights and obligations under this Agreement, and requires the consent of the City. An assignment of banked credits created by this Agreement is invalid without the City's consent. Consent may only be withheld by the City if the Assignee does not agree to comply with the terms of this Agreement. All fees and costs assessed against banked water rights, if any, shall be paid to the City prior to any assignment of banked credits. No assignment agreement will be valid unless and until such costs are reimbursed.
 - (e) **Reduction in Banked Credits.** The City will file an application to change the manner of use and place of use of the Water Rights to municipal uses in the City's

water utility service area. If the State Engineer determines, or if appeal from such a ruling by the State Engineer determines, that the total number of acre-feet that can be used by the City for municipal uses in its water utility service area is less than the amount of Water Rights that are dedicated under this Agreement, the City will reduce the credits that are accounted to the Dedicator by the amount of the reduction in the State Engineer's ruling, or in the appeal from such a ruling.

6. **Change Applications.** Dedicator recognizes that the manner of use and place of use of the Water Rights must be changed to allow for municipal use in the City. Change applications that change the points of diversion, manner and place of use of the Water Rights will be prepared so that the Water Rights may be utilized for municipal purposes within the City's water utility service area as its boundaries are currently set and as they may be expanded through annexation.
 - (a) At the option of the Dedicator, the City may prepare all required change applications.
 - (b) If the Dedicator elects to prepare the required change applications, they must be completed, along with appropriate maps and documentation, to the City's satisfaction and delivered to the City for submittal to the State Engineer by and on behalf of the City.
 - (c) The City shall pay all associated statutory fees relating to the filing and approval of the Change Application, including but not limited to the application filing fees, permit fees, and certificate fees.
7. **Use of Dedicated Water Rights.** Dedicator and Assignee agree and acknowledge that the City receives the dedication of Water Rights that are the subject of this agreement free and clear of any encumbrances or liens and that as a result of such dedication the City shall be the sole holder of legal title to such Water Rights. Accordingly, the City may perform any action that a holder of such Water Rights is legally allowed to perform including, without limitation, hypothecation, rental, or lease of the dedicated Water Rights to a third party; and any revenue collected pursuant to such agreements may be utilized by the City at its sole and complete discretion. The parties agree that the City may, by contract or written agreement, permit the use of the Water Rights by other governmental entities, public or private utilities, or any other person or entity, including those engaged in providing water, storm drainage or sewer service. The Parties agree that in exchange for the dedication of Water Rights pursuant to this Agreement, the Dedicator or Assignee shall have the ability, pursuant to Section 5, to use the dedicated Water Rights to satisfy the water right dedication requirement that is a pre-condition to receiving water utility service from the City, however, nothing in this agreement shall be construed as creating an encumbrance or lien on the title of the dedicated Water Rights in favor of Dedicator or Assignee. The Parties further agree that the City reserves the right to satisfy its obligation to provide water service to Dedicator or Assignee in any manner that the City, at its sole discretion and consistent with Nevada Law and the Fernley Municipal Code, determines best serves the interests of the City water system.

8. **Facilities Standards.** Any facilities that are subject to this Agreement shall be designed and constructed in accordance with standards and other requirements prescribed by the City as a condition to provision of water utility service.
9. **Approval of Service Conditional.** Every will-serve notification and administrative approval of applications for water utility service is conditioned upon the acceptance of the dedication, and the satisfaction of all other service requirements that are established by local ordinance or state law. Any application or renewal, including applications for extension of will-serve commitments is subject to the provisions herein. The parties agree that:
 - (a) The City is the final authority in determining the number of will-serve commitments which may be granted by the City; and
 - (b) The City is the final authority regarding the number of will serves that may be serviced by the Water Rights for any development. Such determination shall be based on the criteria established by the City and further established by the State Engineer.
10. **Term of Agreement.** The term of this Agreement shall be for a period of twenty-five (25) years and shall be renewable for one successive twenty-five (25) year period upon application of the Dedicator or the Assignee, and the approval of the City.
 - (a) It is further understood and agreed between the City and the Dedicator that the Parties must agree to renew this agreement for the subsequent twenty-five year period. The City's decision to approve or reject a renewal of this agreement must be made pursuant to a vote by the Fernley City Council.
 - (b) The City may reject approval of a renewal of this Agreement **only** if:
 - (i) The City sends notice of the expiration of the initial twenty-five year term to the record owner of the Water Rights and receives no response within thirty (30) days of such notice; and
 - (ii) The Dedicator has not complied with the obligations included in this Agreement or does not agree to comply with the obligations of this Agreement during the renewal term of this Agreement.
 - (c) In the event that this Agreement is terminated, or expires pursuant to the provisions of this section, the City shall retain the title to the Water Rights, regardless of whether the Water Rights have been credited to an existing will-serve commitment.

11. **Notice.** Any notice required pursuant to this Agreement shall be sent via certified mail to the address listed below. Each Party is responsible for informing the other Party of any change in address. Notices from the City, including but not limited to notice of expiration of the 25-year term of this Agreement, shall be made to the address listed below, or to an updated address provided by the Dedicator or Assignee.

Dedicator

Russel C. Ferretto

945 Westerlund Lane

Fernley, NV 89408

City of Fernley

Department of Public Works

595 Silver Lace Boulevard

Fernley, NV 89408

12. **General Conditions.**

- (a) **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument.
- (b) **Governing Law.** This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Nevada applicable to agreements made and to be performed wholly within the State of Nevada.
- (c) **Venue.** Any action or proceeding concerning the rights or responsibilities of the parties to this Agreement shall be heard and entertained in the State district court in Lyon County, Nevada.
- (d) **Entire Agreement.** This Agreement (including any exhibits attached hereto) constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto, including without limitation, that certain memorandum of understanding between the parties. This Agreement may not be modified, changed or supplemented, nor may any obligations hereunder be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. The parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the parties hereto.
- (e) **Survivability.** The parties' rights and responsibilities under this Agreement shall survive the conveyance of the Water Rights by the Dedicator to the City.
- (f) **Waivers; Extensions.** No waiver of any breach of any agreement or provision herein contained shall be deemed a waiver of any preceding or succeeding breach

thereof or of any other agreement or provision herein contained. No extension of time for performance of any obligations or acts shall be deemed an extension of the time for performance of any other obligations or acts.

- (g) **Non-Waiver of Rights.** No failure or delay of either party in the exercise of any right given to such party hereunder shall constitute a waiver thereof unless the time specified herein for exercise of such right has expired, nor shall any single or partial exercise of any right preclude any other or further exercise thereof or of any other right. The waiver of any breach hereunder shall not be deemed to be a waiver of any other or any subsequent breach hereof.
- (h) **Further Assurances.** The parties agree to do such further acts and things and to execute and deliver such additional agreements and instruments as the other may reasonably require to consummate, evidence or confirm the dedication of the above reference water rights or any other agreement contained herein in the manner contemplated hereby.
- (i) **Successors and Assigns: Assignment.** This Agreement shall be binding upon and shall inure to the benefit of each of the City and the Dedicator and to their respective heirs, successors and assigns.
 - (i) The City shall have the right to assign its interest in this Agreement in whole or in part to any successor agency, subsidiary, or entity with jurisdiction to supply water service to customers within the City of Fernley, in which case, the references to the City herein shall include such assignee, and provided that such assignee assumes all of the obligations of the City under this Agreement by written instrument.
 - (ii) Any such assignment shall not relieve any party of its obligations under this Agreement. Any attempt to transfer, convey or assign this Agreement other than as provided herein shall be null and void.
- (j) **Time.** Time is of the essence in respect to each and every particular of this Agreement. Any time period to be computed pursuant to this Agreement shall be computed by excluding the first day and including the last. If the last day falls on a Saturday, Sunday or holiday, the last day shall be extended until the next business day that the City is open for business, but in no case will the extension be for more than four (4) days.
- (k) **Severability.** The determination that any covenant, agreement, condition or provision of this Agreement is invalid shall not affect the enforceability of the remaining covenants, agreements, conditions or provisions hereof and, in the event of such determination, this Agreement shall be construed as if such invalid covenant, agreement, condition or provision were not included herein.

- (l) **Delivery of Deed and Warranty.** The Dedicator shall deliver a Water Rights Grant Bargain and Sale Deed conveying and dedicating the Water Rights to the City at the time of the execution of this Agreement. Further, the Dedicator shall warrant that it is the legal owner of the Water Rights.
- (m) **Indemnification.** The Dedicator and the Assignee agree, jointly and severally, to indemnify the City at all times and hold the City harmless in respect of any claims, damages or losses (including, without limitation, attorney's fees and costs), whether known or unknown, disclosed or undisclosed, arising from, by reason of or in connection with any part or portion of this Agreement. Dedicator hereby represents and warrants it has not sold, assigned, transferred, conveyed, hypothecated, pledged, or otherwise disposed of or encumbered the water rights transferred herein except as provided in this Agreement. Dedicator acknowledges that in the event that any claim or dispute relating to the title of the water rights renders such water rights unusable within, or unavailable to, the City's water delivery system, the City may, at its sole discretion and in addition to any other remedies provided for by law, rescind this Agreement and withhold the will-serve commitments provided for herein. In the event that such will-serve commitments have already been issued, the City, in addition to any other remedies provided by law, may require Dedicator or Assignee, jointly or severally, to immediately acquire and dedicate to the City the same quantity and quality of water rights as the water rights rendered unusable within, or unavailable to, the City's water delivery system and/or the City may assign any other banked or reserved water rights in which Dedicator or Assignee have a beneficial interest, and that remain uncommitted to will-serve commitments, to the will-serve commitments already issued pursuant to this Agreement.
- (n) **Attorney's Fees.** In the event of any litigation between the parties hereto arising out of this Agreement, or if one party seeks to judicially enforce the terms of this Agreement, the prevailing party shall be reimbursed for all reasonable costs, including, but not limited to, reasonable attorney's fees.

[Signature Pages Follow]

Agreed upon the date set forth above between the following parties:

City of Fernley

Mayor of Fernley

Date:

Attested:

City Clerk

Dedicator

Dedicator: Russel C. Ferretto

Date:

Assignee

Dedicator assigns all of its interest in the forgoing agreement to the Assignee identified below who by executing this document agrees to assume all obligations of Dedicator hereunder.

GENICA NEVADA, LLC

By:

Signatory Name and Title: _____

Date:

The undersigned hereby affirms that there is no Social Security number contained in this document

LYON CO. APN: 021-111-02

RECORDING REQUESTED BY:

City of Fernley
595 Silver Lace Blvd
Fernley, NV 89408

AFTER RECORDATION RETURN TO:

City of Fernley
595 Silver Lace Blvd
Fernley, NV 89408

SPACE ABOVE THIS LINE FOR RECORDER'S USE

WATER RIGHTS GRANT, BARGAIN, & SALE DEED

THIS WATER RIGHTS DEED is made and entered into this ____ day of _____, 2021, to convey the below-mentioned water rights from RUSSELL C. FERRETTO, an individual, (hereinafter referred to as "GRANTOR") to the CITY OF FERNLEY, a political subdivision of the State of Nevada (hereinafter referred to as "GRANTEE")

WITNESSETH:

That said GRANTOR, for and in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States of America, and for other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, and convey to the GRANTEE, and to their successors, heirs, and assigns forever, all of GRANTOR's right, title, and interest in and to those certain waters and water rights situate in Lyon County, State of Nevada, as described as follows, to wit:

A six and three one-hundredths (6.03) acre-foot/annually portion of Truckee-Carson Irrigation District Serial Number 1022. Said water rights are appurtenant to that certain real property located in Lyon County, State of Nevada described as Lyon County Assessor Parcel Number 021-111-02 and further described as follows:

All that real property situate in the County of Lyon, State of Nevada described as follows:

The Westerly portion of that parcel of land situated in the Northeast quarter, Section 13, Township 20 North, Range 24 East, M.D.B.&M., lying

Beginning at the Northwest corner of the Northeast quarter, Southeast quarter, Section 13, Township 20 North, Range 24 East, M.D.B.&M.; thence along the North line of said Northeast quarter, Southeast quarter, Section 13, South 89° 50' East, 454.70 feet; thence South 00° 58' 56" East, 561.08 feet to the center line of U.S. irrigation ditch lateral ext. "K3B"; thence along center line of said irrigation ditch South 83° 00' West, 484.20 feet; thence North 01° 30' East, 621.54 feet to the point of beginning.

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and any reversions, remainders, rents, issues, or profits thereof.

IN WITNESS WHEREOF the GRANTOR has hereunto executed this WATER RIGHTS GRANT, BARGAIN, & SALE DEED the day and year first written above.

GRANTOR:

STATE OF _____)
 : ss.
COUNTY OF _____)

WITNESS my hand and official seal.

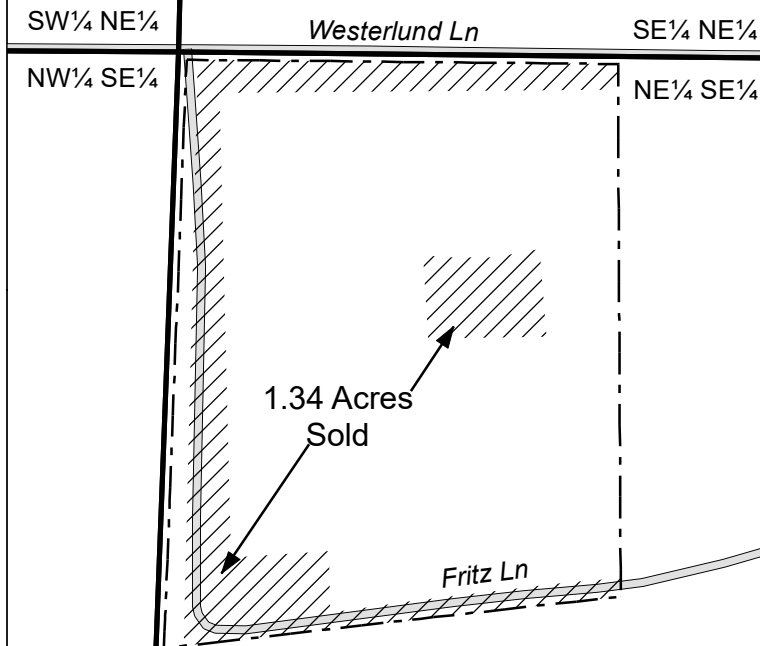
Page 2 of 2

T. 20N., R. 24E., M.D.M.
Section 13

TCID S/N 1022
CHURCHILL COUNTY
APN 021-111-02

DESCRIPTION

AREA OF WATER RIGHTS TO BE SOLD	1.34 ACRES (AC)
VOLUME OF WATER RIGHTS TO BE SOLD	6.03 ACRE FEET ANNUALLY (AFA)
IRRIGATION DUTY	4.5 AFA/AC



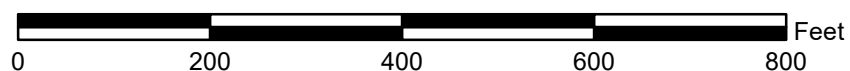
RCI
Resource Concepts Inc

Map Compiled: 11/29/2021

EXHIBIT A

WATER RIGHTS TO BE SOLD FROM
TCID SERIAL #1022, APN 021-111-02
WITHIN NE $\frac{1}{4}$ SE $\frac{1}{4}$ SECTION 13, T. 20N., R. 24E., M.D.M.

1 inch = 200 feet



- Roads
- Parcel Line
- 1/16 Section Line
- Area Sold



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council

REPORT THRU: Daphne Hooper, City Manager

REPORT FROM: Thomas Lukas

FINANCIAL IMPACT:	CURRENTLY BUDGETED:	FUND/ACCOUNT:
Yes: No: X	Yes: No: X	none

ACTION REQUESTED: Receive/File

AGENDA ITEM: (For Possible Action):

Presentation and discussion regarding the City's quarterly financials.

AGENDA ITEM BRIEF:

Quarterly financials for December 31, 2021 (50% through the fiscal year)

RECOMMENDED MOTION:

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:

Quarterly financial information is required to be provided to the department of taxation, posted on the City's website and posted in a newspaper of general circulation on/before the following dates in 2022:

Feb 15 for December

May 16 for March

August 15 for June

November 14 for September

The quarterly economic survey has been submitted to the Department of Taxation and information posted as required for the period ending December 31, 2021.

General

Neither depreciation nor shared cost allocations have been recorded; these costs are recorded at year end.

Shared Costs

- Finance

IT

Facilities

Vector

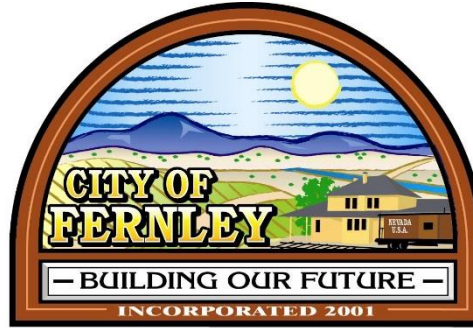
Debt Service

LEGAL IMPLICATIONS:

FINANCIAL IMPLICATIONS:

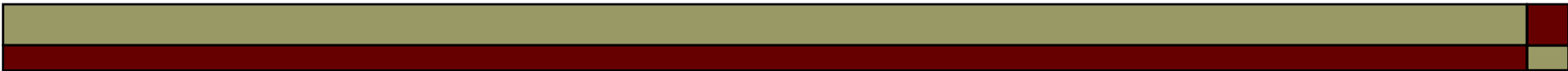
ATTACHMENTS:

1. Quarterly Financial Presentation for 12.31.21

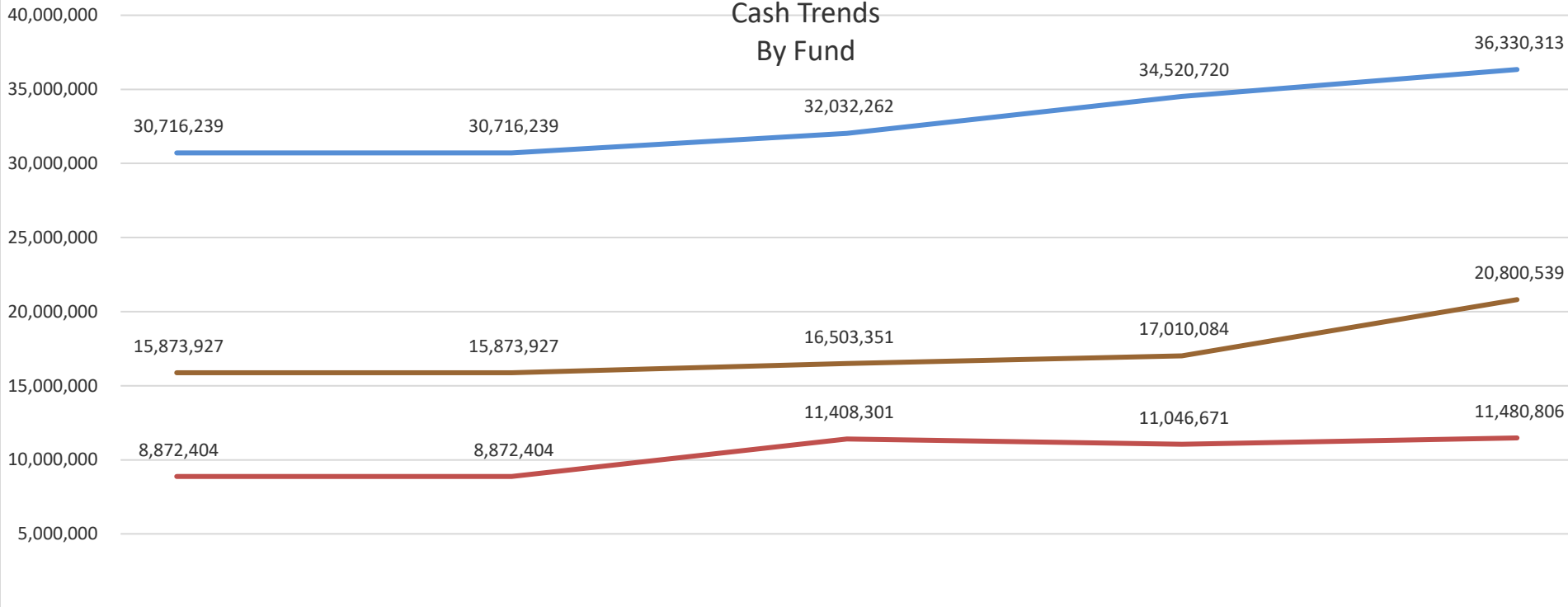


CITY OF FERNLEY

Quarterly Financial Presentation
December 31, 2021 (Unaudited)



City of Fernley Cash Trends By Fund

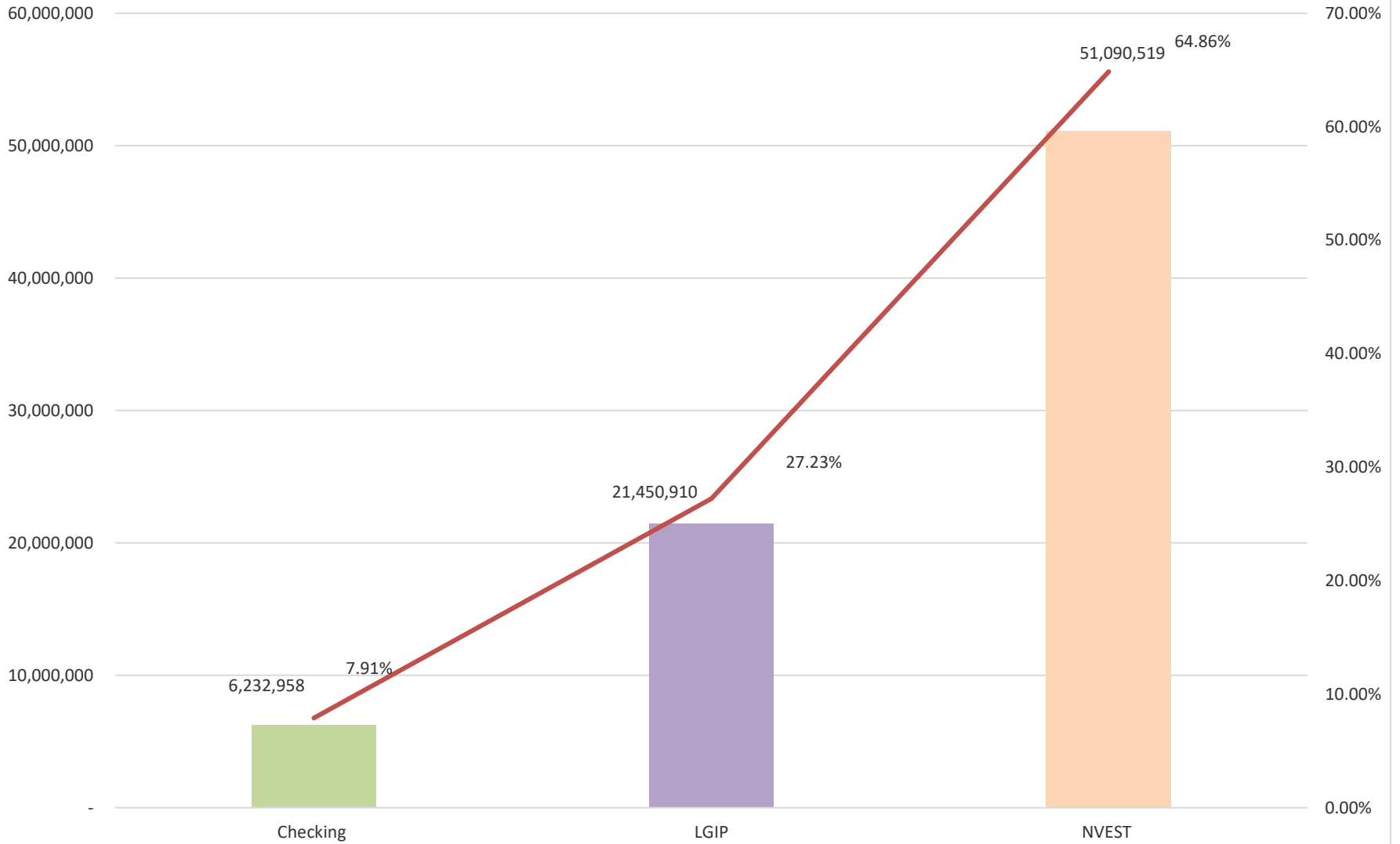


	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21
General Fund	8,872,404	8,872,404	11,408,301	11,046,671	11,480,806
Water	30,716,239	30,716,239	32,032,262	34,520,720	36,330,313
Sewer	15,873,927	15,873,927	16,503,351	17,010,084	20,800,539

General Fund Water Sewer

Checking	6,232,958
LGIP	21,450,910
NVEST	<u>51,090,519</u>
	78,774,386 equals total cash of all governmental and enterprise funds combined

Cash Balances by Depository



Budget vs Actual by Fund

December 31, 2021

	Current Year Budget 2021/22	Current Year Actual 12/31/21	Variance	Variance %
<u>General Fund</u>				
Revenues	\$ 8,393,389	\$ 4,350,836	\$ (4,042,553)	51.84%
RTC Revenues	5,823,000	291,244	(5,531,756)	5.00%
Expenditures	11,712,954	4,628,550	7,084,404	39.52%
RTC Expenditures	5,823,000	291,244	5,531,756	5.00%
Excess (deficiency)	<u>(3,319,565)</u>	<u>(277,714)</u>	<u>3,041,851</u>	

*Note

A negative variance for revenues means revenues either haven't been collected to date or revenues are below budget

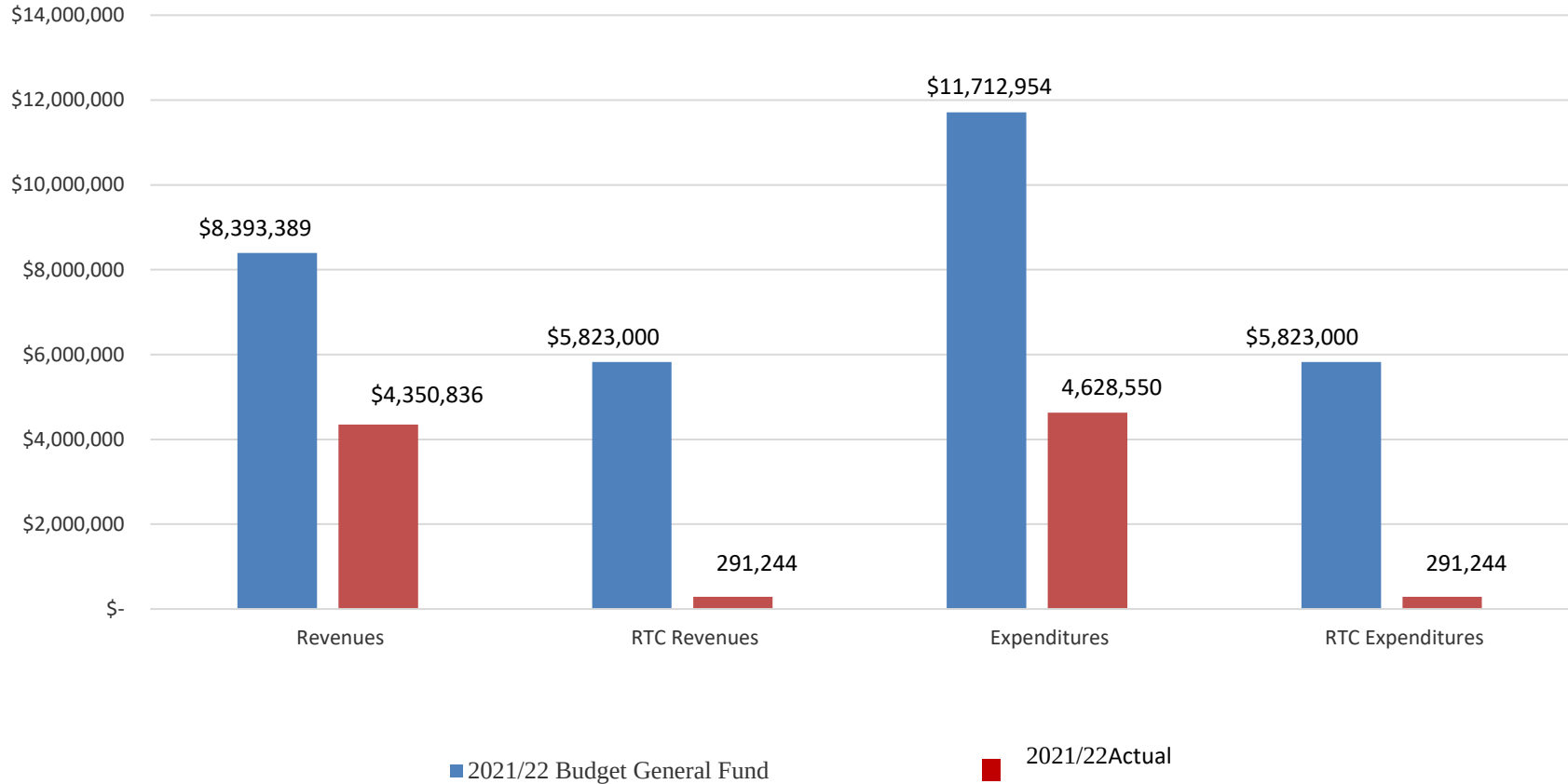
A negative variance for expenses/expenditures means expenses/expenditures are over budget

Variance Percentages Revenues - means we have recorded or received this percentage of revenue to date

Variance Percentages Expenses/Expenditures - means we have used resources or spent this percentage to date

These are preliminary numbers, unaudited and prior to year end adjustments

General Fund
Budget vs Actual @ 12/31/2021



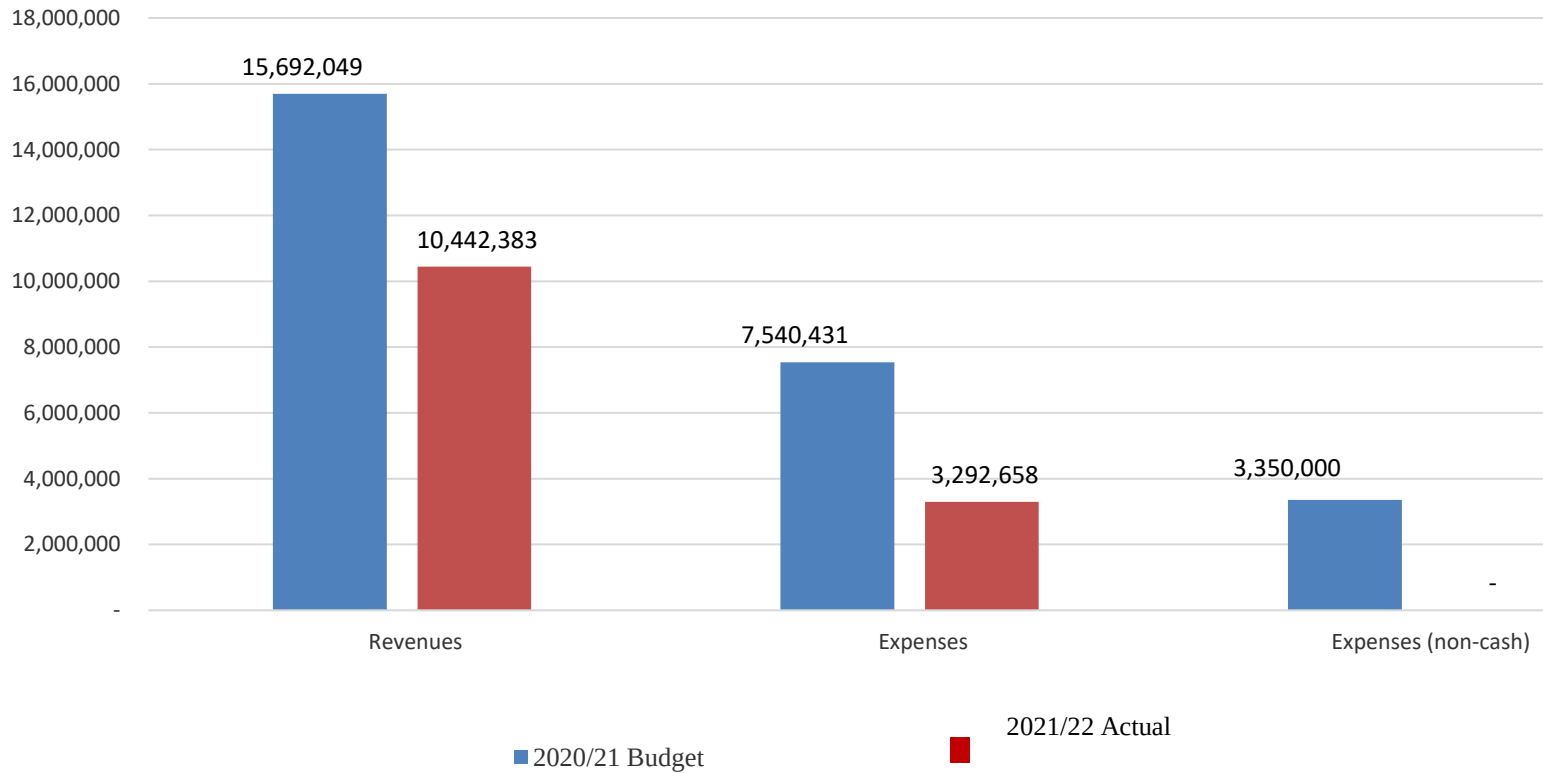
City of Fernley General Fund
Budget vs Actual
December 31, 2021

	2021/22 Current year Budget	2021/22 Current year Actual	2021/22 Current year Remaining Budget
GENERAL FUND			
Taxes	3,748,330	2,257,232	(1,491,098)
Licenses and Permits	3,523,697	1,596,231	(1,927,466)
Intergovernmental Revenue	6,673,062	699,912	(5,973,150)
Charges for Services	19,000	3,222	(15,778)
Fines and Forfeitures	162,300	89,406	(72,894)
Miscellaneous Revenue	90,000	(3,923)	(93,923)
Sale of Assets	-	-	-
Total Revenue	14,216,389	4,642,080	(9,574,309)
Mayor/City Council	138,778	87,121	51,657
Office of City Manager	616,274	291,621	324,653
Office of City Attorney	588,150	251,557	336,593
*Finance	688,015	135,081	552,934
Office of City Clerk	324,608	158,892	165,716
*Facilities and General Exp	349,125	228,690	120,435
*Information Technology	184,946	131,117	53,829
Municipal Court	506,657	178,789	327,868
Streets and Storm Drains	9,781,189	939,052	8,842,137
Fleet	192,581	104,323	88,258
Animal Control	91,602	42,515	49,087
*Vector Control	34,365	27,744	6,621
Engineering	704,579	373,961	330,618
**Parks	1,293,757	467,824	825,933
Cemetery	35,500	7,128	28,372
Building Services	452,201	173,760	278,441
Planning/Community Develop	430,851	197,841	233,010
*Debt Service	1,122,776	1,122,776	-
Total Expenditures	17,535,954	4,919,794	12,616,160
Net Revenues over/(under) Expenditures	(3,319,565)	(277,714)	3,041,851
*Note these departments/functions included shared costs that are not recorded until year end			6
**Please note that RCT Fund and Parks and Facilities Fund transactions are a part of general fund activities.			

City of Fernley Water Fund
Budget vs Actual
December 31, 2021

	2021/22 Current year Budget	2021/22 Current year Actual	2021/22 Current year Remaining Budget
WATER ENTERPRISE FUND			
Operating Revenue	10,723,000	5,435,081	(5,287,919)
Non-Operating Revenue	4,419,049	4,346,466	(72,583)
Other Financing Sources	-	-	-
Capital Contributions	550,000	660,836	110,836
Total Revenues	15,692,049	10,442,383	(5,249,666)
WD Non-Operating Expense	1,793,992	825,875	968,117
WD Operating Expense	7,679,487	1,908,486	5,771,001
WTP Operating Expenses	1,416,952	558,297	858,655
Total Expenses	10,890,431	3,292,658	7,597,773
Increase (Decrease) Net Position	4,801,618	7,149,725	2,348,107

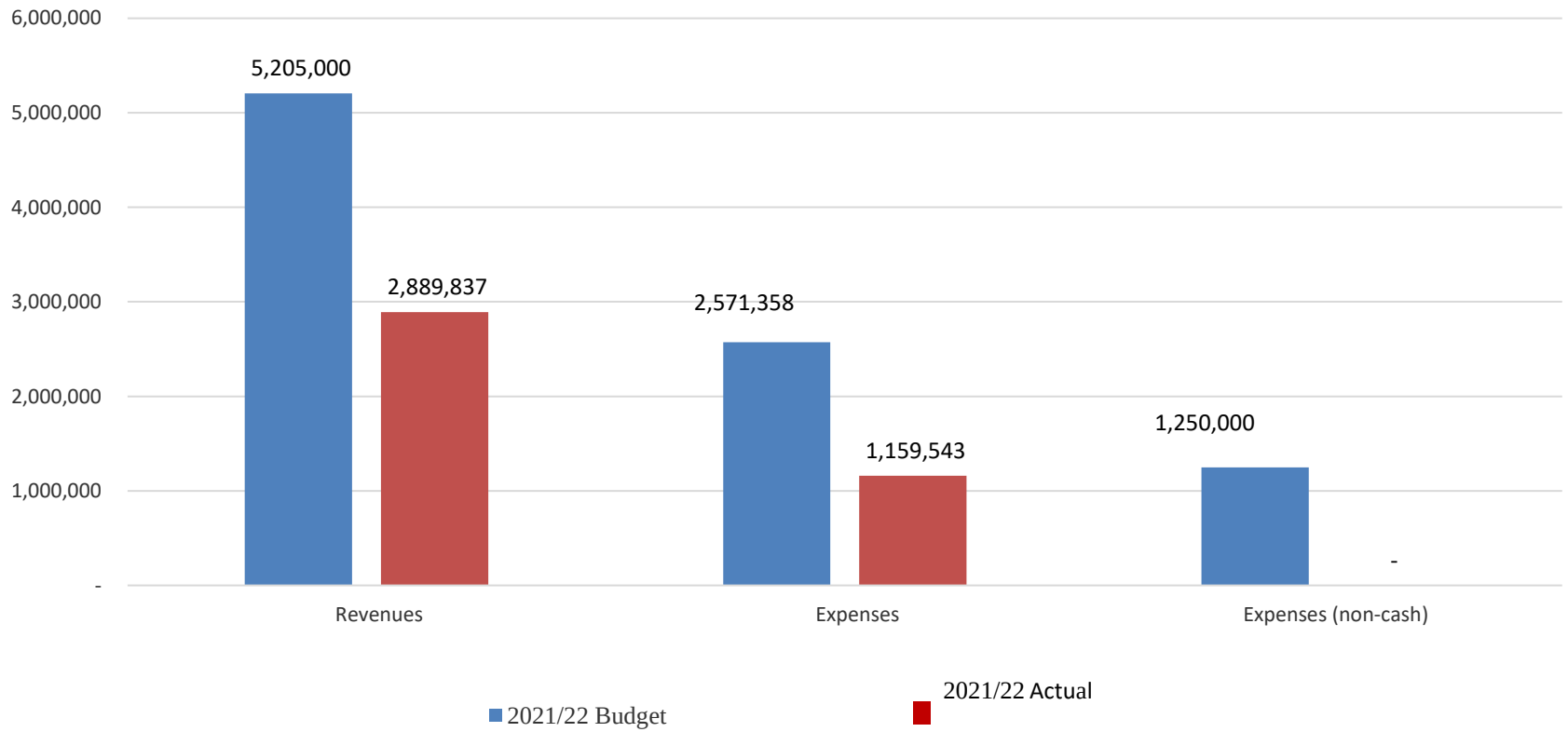
Water
Budget vs Actual @ 12/31/2021



City of Fernley Sewer Fund
Budget vs Actual
December 31, 2021

	2021/22 Current year Budget	2021/22 Current year Actual	2021/22 Current year Remaining Budget
SEWER ENTERPRISE FUND			
Operating Revenue	4,690,000	2,409,548	(2,280,452)
Non-Operating Revenue	115,000	(27,753)	(142,753)
Other Financing Sources	-	43,186	43,186
Capital Contributions	400,000	464,856	64,856
Total Revenues	5,205,000	2,889,837	(2,315,163)
Non-Operating Expenses	155,000	77,686	77,314
Operating Expenses	3,666,358	1,081,856	2,584,502
Total Expenses	3,821,358	1,159,542	2,661,816
Increase (Decrease) Net Position	1,383,642	1,730,294	346,652

Sewer
Budget vs Actual @ 12/31/2021



PROJECT MANAGEMENT

Construction in Progress

- GOVERNMENT FUNDS
- WATER FUND
- SEWER FUND

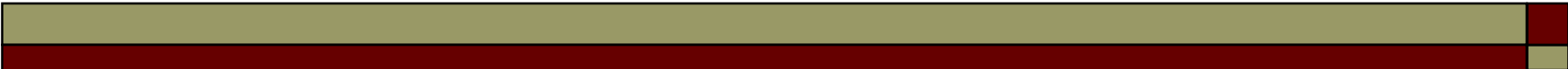
Dates included in the following slides represent the fiscal years the projects began.

Government Sources of funds:

GF – General Fund

Gr – Grants Fund

CI – Capital Improvement Fund



GENERAL GOVERNMENT

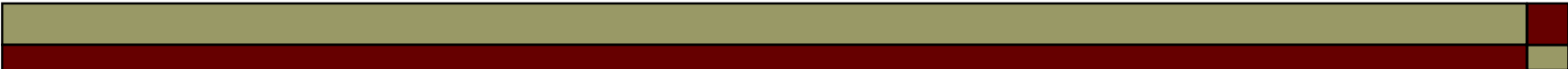
Capital Projects in Progress (Costs to date)

➤ Community Center(2018) Gr	9,970
➤ Community Resource Center(2022) GR	9,408
➤ Cares Act(2020)Gr	3,920,826
➤ Cottonwood Lane Reconstruction(2020)GF	316,500
➤ Shadow Lane Reconstruction(2021)GF	246,212
➤ Fernley Industrial Park Rehabilitation(2020)GF	73,898
➤ Green Valley Park Improvements(2021)GF	34,553

WATER FUND

Capital Projects in Progress (Costs to date)

➤ Water meter replacement project (2016)	1,367,424
➤ Surface Water Conveyance and Treatment Design(2018)	759,247
➤ EWWTP Fire Lane & Portable Water Main Design(2019)	907,666
➤ Cottonwood Lane Waterline Reconstruction(2020)	44,197
➤ Shadow Lane Waterline Replacement(2021)	11,398



SEWER FUND

Capital Projects in Progress (Costs to date)

➤ EWWTP Monitoring Well Install & Surveying(2020)	119,666
➤ Cottonwood Lane Sewer Rehabilitation(2020)	10,920
➤ Shadow Lane Sewer Rehabilitation(2021)	10,258
➤ Farm District Road Rehabilitation PH2(2021)	8,506
➤ US50A/95A Sewer Improvement(2021)	31,780



PROJECT MANAGEMENT

Streets Maintenance Projects (Costs to date)



PMP (2015)

3,020,5889



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council

REPORT THRU: Daphne Hooper, City Manager

REPORT FROM: Dave Whalen, Public Works Director

FINANCIAL IMPACT:	CURRENTLY BUDGETED:	FUND/ACCOUNT:
Yes: X No:	Yes: No: X	Water and Sewer Enterprise Funds

ACTION REQUESTED: Motion

AGENDA ITEM: (For Possible Action):

(For possible Action) Adopt the Business Impact Statement regarding commercial rates & fees for the Water and Sewer Utilities.

AGENDA ITEM BRIEF:

Staff determined water and sewer proposed rate & connection fee changes do not have a significant business impact, and the City Council should consider adopting a written motion making a determination that the rule does not impose a direct and significant economic burden on a business or directly restrict the formation, operation or expansion of a business.

RECOMMENDED MOTION:

I move to recommend that City Council adopts the attached Business Impact Statement regarding increasing rates and connection fees for the Water and Sewer Utilities. City Council finds the rate increases and fee changes do not impose a direct and significant economic burden on a business or directly restrict the formation, operation or expansion of a business.

BUSINESS IMPACT (per NRS Chapter 237):

A Business Impact Statement is Attached.

See attached report for background, analysis, alternatives.

ALTERNATIVES:

The City Council may not accept the recommendation and provide further direction to the city manager.

BACKGROUND:

The City operates its water and wastewater services via two “enterprise” funds. An enterprise fund is separate from the City’s general fund and operates similar to a private business enterprise. Operating and capital expenses are paid for by fees charged to the customers who use the system, not by general tax revenues (see NRS 354.517 defining “enterprise fund”).

Because enterprise funds are operated solely by fees paid by the customers of the system, the rate schedules need to be evaluated on a regular basis to ensure that the fund will have enough money to support the utility’s operations. The primary goals in setting rates are to ensure that: (1) current customers are paying their share of the costs of the system, (2) new development is fully reimbursing the enterprise funds for the costs of adding new connections to the system, and (3) the utilities have adequate revenues to fund needed expenses over the long-term.

To meet these goals the City contracted with Hansford Economic Consulting (“HEC”) in 2016 to perform a rate study. At that time, both the water and wastewater enterprise funds were operating at significant annual losses that, if continued, would have rendered the funds financially insolvent. After reviewing the 2016 study, the City Council approved resolutions establishing new rate structures for each of the funds. The implementation of those new rate structures has resulted in both funds achieving financial stability (revenues greater than or equal to system costs) over the last three years.

On September 16, 2020, the City Council approved a new contract with Hansford Economic Consulting to conduct a 5-year rate study. A draft of the 2021 Rate Study was presented to the Council on April 21, 2021. Based on input at that meeting, and subsequent notification of the allocation of grant funds to the City from the American Rescue Plan Act, the Council directed HEC to update the draft study as follows:

1. Change the implementation date of the new rates from July 1, 2021, to January 1, 2022.
2. Apply \$8 million of ARPA grant funds to the wastewater fund.

On May 5, 2021, a letter was sent to local businesses soliciting comments on the proposed rate increase and notifying the recipients of two workshops that were held on May 18 and 25, 2021. The draft Business Impact Statement concluded that the proposed rates will not (1) place a direct and significant economic burden on area businesses, or (2) directly restrict the formation, operation, or expansion of any area businesses. Three written comments were received, and no people were present at either of the public workshops in May.

On August 18, 2021, the City Council was presented with HEC’s revised rate study and recommendations. Those recommendations were as follows:

Water Fund: Increase customer rates by 3% annually for the next five years.
 Set fee for new connections at \$6,825 per EDU.

Wastewater Fund: Increase customer rates by 3% annually for the next five years.

Set fee for new connections at \$4,268 per EDU.

After discussion at the meeting, the City Council directed staff to prepare resolutions implementing new rate schedules as follows:

Water Fund: **Increase customer rates by 2.25% on April 1, 2022.**
 Beginning January 1, 2023, increase rates by 3% annually.
 Set fee for new connections at \$7,000 per EDU.

Wastewater Fund: **Increase customer rates by 3% annually starting on**
 April 1, 2022. Beginning January 1, 2023, increase rates by 3% annually.
 Set fee for new connections at \$5,000 per EDU.

The HEC rate study was revised with the new recommendations and finalized on September 24th and presented to staff for review.

A staff report to accept the BIS at the November 3rd meeting was drafted as well as a staff report to make changes to the rates and connection fees by resolution. Both reports were presented for outside legal review. Upon receipt, the special water attorney reviewed the two staff reports and indicated it would be advisable to administer a new BIS study since the new connection fees were higher than the HEC report recommendations and were left out of the May BIS advertisement letter. The council directed staff to complete a new BIS.

In accordance with NRS 237.080, on November 24, 2021, a letter was sent to 444 local businesses soliciting comments on the proposed rate increase and notifying the recipients of two workshops that were to be held on January 11th and 18th 2022. In addition, on December 8th, 15th, 22nd, 29th, 2021 & January 5th, 2022, a similar notice was published in the Reno Gazette-Journal. The public workshops were held as advertised and the City received a total of two written comments objecting to the rate increases. No people attended the workshops.

Subsequent to the public workshops, City staff prepared a Business Impact Statement pursuant to NRS 237.090. The Business Impact Statement concluded that the proposed rates will not (1) place a direct and significant economic burden on area businesses, or (2) directly restrict the formation, operation, or expansion of any area businesses. All five of the written responses (three from May and two from November) are included as attachments for review.

Per NRS 237, staff recommends that City Council should consider adopting a written motion making a determination that the rule does not impose a direct and significant economic burden on a business or directly restrict the formation, operation or expansion of a business.

Though not defined per NRS 237 as a business, two of our largest customers of water and sewer were also given the opportunity to comment on the proposed changes to the rates and connection fees. The Lyon County School District and the Northern Nevada Veterans Memorial Cemetery, as well as the City of Fernley's Parks Department are among the top five largest consumers of water. The Lyon County School District submitted written comments objecting to the rate increases. The Cemetery staff related verbally that they were opposed to the rate increases. This information is presented so City Council is aware of the objections from the larger water users.

Importantly, while the comments received expressed general opposition to the proposed increases, they did not provide specific evidence which indicates that the increases would impose a "significant" burden on area businesses or that they would impede the formation, operation, or expansion of businesses in the Fernley area.

Obviously, any increase in any business expense can be considered a “burden” to that business. However, the standard in this case is whether the burden is “significant” (i.e. whether it is large enough to have a measurable impact on the operation of the business). In reviewing the comments provided, staff does not believe that they identify the types of measurable impacts contemplated by NRS 237. Nor has any commenter indicated that the increases will prevent them from forming, operating, or expanding their businesses.

On March 2nd 2022, staff will present resolutions to adjust the rates and connection fees as directed by the City Council at the August 18th 2021 meeting and as noted above.

LEGAL IMPLICATIONS:

Nevada Statutes: NRS 237, 266, 354

Fernley Municipal Code : Title 28

FINANCIAL IMPLICATIONS:

Enterprise funds are operated solely by fees paid by the customers of the system, the rate schedules need to be evaluated on a regular basis to ensure that the fund will have enough money to support the utility’s operations. The primary goals in setting rates are to ensure that: (1) current customers are paying their share of the costs of the system, (2) new development is fully reimbursing the enterprise funds for the costs of adding new connections to the system, and (3) the utilities have adequate revenues to fund needed expenses over the long-term.

ATTACHMENTS:

1. Staff Report-2022.02.16 Business Impact Statement for Water and sewer rates fees
2. City of Fernley 2021 Utility Rate Study (Final)
3. 2022 Business Impact Statement Water-Sewer
4. BIS Cover Letter_water-sewer November mailing
5. PUBLIC COMMENT FORM
6. 2022 BIS Advertisement Certification
7. BIS RGJ
8. BIS Lyon County News Leader
9. BIS Public Responses May
10. BIS Public Responses November



CITY OF FERNLEY

CITY COUNCIL AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council
REPORT THRU: Daphne Hooper, City Manager
REPORT FROM: David Whalen, Public Works Director
REVIEWED BY: David Rigdon, Special City Water Attorney
REVIEWED BY: Denise Lewis, City Treasurer

FINANCIAL IMPACT:

Yes: ☒ No: ☐

CURRENTLY BUDGETED:

Yes: ☐ No: ☒

FUND/ACCOUNT:

ACTION REQUESTED: ☐ Consent ☐ Ordinance ☐ Resolution ☒ Motion ☐ Receive/File

AGENDA ITEM: Discussion and possible action to adopt the Business Impact Statement regarding commercial rates & fees for the Water and Sewer Utilities.

Agenda Item Brief: Staff determined water and sewer proposed rate & connection fee changes do not have a significant business impact, and the City Council should consider adopting a written motion making a determination that the rule does not impose a direct and significant economic burden on a business or directly restrict the formation, operation or expansion of a business.

Recommended Motion:

"I move to recommend that City Council adopts the attached Business Impact Statement regarding increasing rates and connection fees for the Water and Sewer Utilities. City Council finds the rate increases and fee changes do not impose a direct and significant economic burden on a business or directly restrict the formation, operation or expansion of a business"

Business Impact (per NRS Chapter 237):

- ☒ A Business Impact Statement is attached.
- ☐ 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 not accept the recommendation and provide further direction to the city manager.

BACKGROUND:

The City operates its water and wastewater services via two “enterprise” funds. An enterprise fund is separate from the City’s general fund and operates similar to a private business enterprise. Operating and capital expenses are paid for by fees charged to the customers who use the system, not by general tax revenues (see NRS 354.517 defining “enterprise fund”).

Because enterprise funds are operated solely by fees paid by the customers of the system, the rate schedules need to be evaluated on a regular basis to ensure that the fund will have enough money to support the utility’s operations. The primary goals in setting rates are to ensure that: (1) current customers are paying their share of the costs of the system, (2) new development is fully reimbursing the enterprise funds for the costs of adding new connections to the system, and (3) the utilities have adequate revenues to fund needed expenses over the long-term.

To meet these goals the City contracted with Hansford Economic Consulting (“HEC”) in 2016 to perform a rate study. At that time both the water and wastewater enterprise funds were operating at significant annual losses that, if continued, would have rendered the funds financially insolvent. After reviewing the 2016 study, the City Council approved resolutions establishing new rate structures for each of the funds. The implementation of those new rate structures has resulted in both funds achieving financial stability (revenues greater than or equal to system costs) over the last three years.

On September 16, 2020, the City Council approved a new contract with Hansford Economic Consulting to conduct a 5-year rate study. A draft of the 2021 Rate Study was presented to the Council on April 21, 2021. Based on input at that meeting, and subsequent notification of the allocation of grant funds to the City from the American Rescue Plan Act, the Council directed HEC to update the draft study as follows:

- 1) Change the implementation date of the new rates from July 1, 2021, to January 1, 2022.
- 2) Apply \$8 million of ARPA grant funds to the wastewater fund.

On May 5, 2021, a letter was sent to local businesses soliciting comments on the proposed rate increase and notifying the recipients of two workshops that were held on May 18 and 25, 2021. The draft Business Impact Statement concluded that the proposed rates will not (1) place a direct and significant economic burden on area businesses, or (2) directly restrict the formation, operation, or expansion of any area businesses. Three written comments were received, and no persons were present at either of the public workshops in May.

On August 18, 2021, the City Council was presented with HEC’s revised rate study and recommendations. Those recommendations were as follows:

Water Fund:	Increase customer rates by 3% annually for the next five years. Set fee for new connections at \$6,825 per EDU.
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Wastewater Fund:	Increase customer rates by 3% annually for the next five years. Set fee for new connections at \$4,268 per EDU.
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After discussion at the meeting the City Council directed staff to prepare resolutions implementing new rate schedules as follows:

Water Fund:	Increase customer rates by 2.25% on April 1, 2022. Beginning January 1, 2023, increase rates by 3% annually. Set fee for new connections at \$7,000 per EDU.
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Wastewater Fund: Increase customer rates by 3% annually starting on April 1, 2022. Beginning January 1, 2023, increase rates by 3% annually. Set fee for new connections at \$5,000 per EDU.

The HEC rate study was revised with the new recommendations and finalized on September 24th and presented to staff to review.

A staff report to accept the BIS at the November 3rd meeting was drafted as well as a staff report to make changes to the rates and connection fees by resolution. Both reports were presented for outside legal review. Upon receipt the special water attorney reviewed the two staff reports and indicated it would be advisable to administer a new BIS study since the new connection fees were higher than the HEC report recommendations and were left out of the May BIS advertisement letter. Council directed staff to complete a new BIS.

In accordance with NRS 237.080, on November 24, 2021, a letter was sent to 444 local businesses soliciting comments on the proposed rate increase and notifying the recipients of two workshops that were to be held on January 11th and 18th 2022. In addition, on December 8th, 15th, 22nd, 29th, 2021 & January 5th, 2022, a similar notice was published in the Reno Gazette-Journal. The public workshops were held as advertised and the City received a total of two written comments objecting to the rate increases. No persons attended the workshops.

Subsequent to the public workshops, City staff prepared a Business Impact Statement pursuant to NRS 237.090. The Business Impact Statement concluded that the proposed rates will not (1) place a direct and significant economic burden on area businesses, or (2) directly restrict the formation, operation, or expansion of any area businesses. All five of the written responses (three from May and two from November) are included as attachment for review.

Per NRS 237, staff recommends that City Council should consider adopting a written motion making a determination that the rule does not impose a direct and significant economic burden on a business or directly restrict the formation, operation or expansion of a business.

Though not defined per NRS 237 as a business, two of our largest customers of water and sewer were also given the opportunity to comment on the proposed changes to the rates and connection fees. The Lyon County School District and the Northern Nevada Veterans Memorial Cemetery, as well as the City of Fernley's Parks Department are among the top five largest consumers of water. The Lyon County School District submitted written comments objecting to the rate increases. The Cemetery staff related verbally that they were opposed to the rate increases. This information is presented so City Council is aware of the objections from the larger water users.

Importantly, while the comments received expressed general opposition to the proposed increases, they did not provide specific evidence which indicates that the increases would impose a "significant" burden on area businesses or that they would impede the formation, operation, or expansion of businesses in the Fernley area. Obviously, any increase in any business expense can be considered a "burden" to that business. However, the standard in this case is whether the burden is "significant" (i.e. whether it is large enough to have a measurable impact on the operation of the business). In reviewing the comments provided, staff does not believe that they identify the types of measurable impacts contemplated by NRS 237. Nor has any commentor indicated that the increases will prevent them from forming, operating, or expanding their businesses.

On March 2nd 2022 staff will present resolutions to adjust the rates and connection fees as directed by the City Council on the August 18th 2021 meeting and as noted above.

PRIOR COUNCIL ACTION

- On December 15, 2014, the Fernley City Council established that a rate study was a top priority for the Water and Sewer Funds.
- On December 16, 2015, Fernley City Council approved a contract with Hansford Economic Development.

- On September 14, 2016, Hansford Economic Consulting presented the water and sewer utility rate study to Council.
- On October 5, 2016, Fernley City Council Approved Addendum B to the contract with Hansford Economic Development for additional services related to the water utility rate study.
- On November 14, 2016, Fernley City Council adopted Resolutions 2016-023, 2016-024 and 2016-025 implementing the water ancillary fee, increasing wastewater utility rates and water utility rates, respectively.
- On September 16, 2020, Fernley City Council approved award of a contract to Hansford Economic Consulting LLC to provide a five-year planning Water and Sewer Utility Rate Study Update for an amount not to exceed \$35,000.
- On April 21, 2021, Fernley City Council heard the Draft Study recommendations by Hansford Economic Consulting LLC and provided feedback to complete a Business Impact Statement and refine the Draft plan with the anticipated American Recovery Plan (ARP) grant funding.
- On August 18, 2021, Fernley City Council heard the revised recommendations by Hansford Economic Consulting LLC and provided recommendations to increase water and wastewater rates and connection fees by resolution.
- On November 3, 2021, Fernley City Council heard recommendations for staff to complete a new Business Impact Statement due to the proposed increase in connection fees and the fact that the connection fees were inadvertently omitted from the May BIS.

LEGAL IMPLICATIONS:

Nevada Statutes: NRS 237, 266, 354

Fernley Municipal Code : Title 28

FINANCIAL IMPLICATIONS :

Enterprise funds are operated solely by fees paid by the customers of the system, the rate schedules need to be evaluated on a regular basis to ensure that the fund will have enough money to support the utility's operations. The primary goals in setting rates are to ensure that: (1) current customers are paying their share of the costs of the system, (2) new development is fully reimbursing the enterprise funds for the costs of adding new connections to the system, and (3) the utilities have adequate revenues to fund needed expenses over the long-term.

ATTACHMENTS:

1. *City of Fernley 2021 Utility Rate Study (Final)* dated September 24, 2021.
2. 2022 Business Impact Statement Water-Sewer
3. BIS Cover Letter water-sewer November Mailing
4. Public Comment Form
5. 2022 BIS Advertisement Certification
6. BIS RGJ
7. BIS Lyon County News Leader
8. BIS Public Responses May
9. BIS Public Responses November

**City of Fernley
2021 Utility Rates Study**

FINAL

September 24, 2021

HEC No. 200318

The following report was prepared by Hansford Economic Consulting LLC.

The analyses and findings contained within this report are based on primary data provided by the City of Fernley, as well as additional secondary sources of data available as of the date of this report. Updates to information used in this report could change or invalidate the findings contained herein. While it is believed that the primary and secondary sources of information are accurate, this is not guaranteed.

Every reasonable effort has been made in order that the data contained in this study reflect the most accurate and timely information possible. No responsibility is assumed for inaccuracies in reporting by the client, its consultants and representatives, or any other data source used in the preparation of this study. No warranty or representation is made that any of the projected values or results contained in this study will actually be achieved. There will usually be differences between forecasted or projected results and actual results due to changes in events and circumstances.

Changes in economic and social conditions due to events including, but not limited to, major recessions, droughts, major environmental problems or disasters that would negatively affect operations, expenses and revenues may affect the result of the findings in this study. In addition, other factors not considered in the study may influence actual results. Any applications for financing, or bond sales analyses, should re-evaluate the financial health and projection of revenues and expenses at the time of the application or preparation for bond sale.

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Section 1: INTRODUCTION AND SUMMARY OF FINDINGS

1.1 PURPOSE OF THE STUDY

The City of Fernley (City) provides water and wastewater utility services to the residents and businesses of the City. The purpose of this Utilities Rate Study (Study) is to determine the level of funding required over the next five years to adequately fund each of the utility systems and to determine a schedule of fees to support that level of funding.

This report provides an explanation and justification of the calculated utility fees to existing and future customers for the next five years. The utility financial models presented in this Study project revenues and expenses and calculate rates for the next five fiscal years with the first change in utility rates implemented January 1, 2022.

1.2 BACKGROUND

The City last conducted utility rate studies in 2016. New residential rates were implemented January 2017, and commercial rates were implemented July 2017. The last increase included in the adopted fee schedule was July 1, 2020. A utility systems rate study is necessary at this time to a) ensure revenue sufficiency of the utility systems for the next five years, and b) demonstrate that new growth will pay for its share of capital improvement costs.

Rate studies are typically conducted every three to five years to ensure revenue sufficiency. A cost-of-service analysis, which not only allows for revenue sufficiency, but also examines whether customers are paying for their share of system costs and adjusts rates and customer classifications to achieve equity to the maximum extent practicable, is advisable whenever there has been a shift in the economic base of the community, and whenever proportional cost of service is in question. *This rate study does not study cost of service because these issues are not in question. Rate design, which is the final part of the rate-making procedure and generally uses the revenue requirement and cost of service analysis to determine appropriate rates for each customer class, is also not included in this rate study as this was evaluated extensively in 2016.*

This report presents the result of the analysis and level of fees that best meet projected financial conditions over the next five years.

1.3 RATE SETTING PRINCIPLES AND REPORT ORGANIZATION

This report was prepared using the principles established by the American Water Works Association (AWWA) and the Water Environment Federation. The AWWA “Principles of Water Rates, Fees, and Charges: Manual of Water Supply Practices M1” (the “M1 Manual”) establishes commonly accepted professional standards for water fee studies. This manual is referenced in the water rate study. The wastewater rate study uses rate-setting principles described in the Water Environment Federation Manual of Practice No. 27.

The Study is presented in three sections. Following this introduction and summary of findings, Section 2 provides the water rate study. Section 3 provides the wastewater rate study. For each utility study, the analysis begins with a description of the utility fund and its customers, followed by calculation of the revenue requirement, calculations of the utility rates, projected cash flow and bill impacts to customers.

Appendix A includes support tables for the water rate study. **Appendix B** includes support tables for the wastewater rate study.

1.4 WATER RATE STUDY FINDINGS

Water rate study summary and key findings are summarized here:

- The City provides water supply, treatment, and distribution to the residents and businesses of Fernley. Monthly water rates pay for 60% of the annual costs of the water fund.
- The water fund has had net positive revenues for the last three years since new water rates were implemented January 2017.
- There is a large capital improvement projects (CIP) list of approximately \$36.44 million to be completed within the next five years. The rate study assumes that the City will bond for 75% of CIP infrastructure items that are estimated to cost at least \$1 million.
- Of the total estimated CIP cost, the rate study assumes that 54% will be debt-financed and 46% will be cash-funded.
- There are no proposed changes to the water rate structure.
- Water rates need to increase 3.0% per year to support projected increases in operating costs, debt service, and system rehabilitation and major new infrastructure costs.
- Water connection fees need to increase to pay for new growth's share of infrastructure costs and financing charges. It is recommended that the connection fees be updated concurrent with the rates to more accurately reflect new development's impacts on the water and wastewater systems. In addition, it is recommended that the connection fees be updated each year with a price index to keep abreast of inflationary changes.

1.5 WASTEWATER RATE STUDY FINDINGS

Wastewater rate study summary and key findings are summarized here:

- The City provides wastewater collection, treatment, and disposal services to the residents and businesses of Fernley. Monthly wastewater rates pay for 83% of the annual costs of the wastewater fund.

- The wastewater fund has had positive net revenues for the last three years and is currently covering all expenses and debt service coverage requirements of existing bond covenants.
- There is a large capital improvement projects (CIP) list of approximately \$28.53 million to be completed within the next five years. The City is putting \$8.00 million of American Rescue Plan Act (ARPA) funding toward the wastewater capital improvements projects that benefit existing customers. The rate study assumes that the City will bond for 75% of CIP infrastructure items that are estimated to cost at least \$1 million.
- Of the remaining \$20.53 million in the CIP (after applying the ARPA funding), the rate study assumes that 67% of the estimated cost of these infrastructure projects will be debt-financed and 33% cash-funded.
- With the ARPA funding applied to the wastewater CIP, wastewater fee collections need to increase 3.0% per year to pay for increased operating expenses, new debt service, and the planned wastewater CIP.
- There are no proposed changes to the wastewater rate structure.
- Wastewater connection fees need to increase to pay for new growth's share of infrastructure costs and financing charges. It is recommended that the connection fees be updated concurrent with the rates to more accurately reflect new development's impacts on the water and wastewater systems. In addition, it is recommended that the connection fees be updated each year with a price index to keep abreast of inflationary changes.

1.6 FERNLEY CITY COUNCIL AUGUST 18, 2021

The findings of the draft utilities rate study were presented to the Fernley City Council on August 18, 2021. At that meeting a motion was made to have staff bring back a resolution to establish water and sewer rates that start January 1, 2022. Specifically, the motion included the following,

“Water rates will increase 2.25% on January 1, 2022. On January 1, 2023, water rates will increase 3% and continue a yearly 3% increase. Sewer rates will increase [yearly] 3% starting January 1, 2022. Water Connection fees will go to \$7,000 and sewer connection fees will go to \$5,000.”

The Council also expressed support to have a consultant review the fees biennially.

Tables 1 and 2 on the following page show the proposed rates per the motion made August 18, 2021. The proposed water rates are different than the calculated water rates in chapter 2 of this report because the first increase would be 2.25% rather than 3.00%. The proposed wastewater rates are the same as calculated in chapter 3 of this report. Note that water bills are based on usage in the preceding month; therefore, the January 2022 water bill will be calculated using the end of December water meter read.

Table 1
Proposed Five-Year Water Rate Schedule

	Current	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
	<i>Percentage Increase</i>	<i>2.25%</i>	<i>3.00%</i>	<i>3.00%</i>	<i>3.00%</i>	<i>3.00%</i>
Service Charge						
		Charge per Month				
3/4"	\$51.44	\$52.60	\$54.18	\$55.80	\$57.47	\$59.20
1"	\$85.31	\$87.23	\$89.85	\$92.54	\$95.32	\$98.18
1.5"	\$202.93	\$207.50	\$213.72	\$220.13	\$226.74	\$233.54
2"	\$320.23	\$327.44	\$337.26	\$347.38	\$357.80	\$368.53
3"	\$732.52	\$749.00	\$771.47	\$794.62	\$818.45	\$843.01
4"	\$1,018.08	\$1,040.99	\$1,072.22	\$1,104.38	\$1,137.51	\$1,171.64
6"	\$2,272.70	\$2,323.84	\$2,393.55	\$2,465.36	\$2,539.32	\$2,615.50
Other Service Charges						
		Charge per Month				
Standby Fire Line (any size)	\$51.44	\$52.60	\$54.18	\$55.80	\$57.47	\$59.20
Hydrant Meter	\$83.12	\$84.99	\$87.54	\$90.17	\$92.87	\$95.66
Well 8 Key	\$49.87	\$50.99	\$52.52	\$54.10	\$55.72	\$57.39
Treated Water Use Charges						
Rate per 1,000 gallons	\$3.60	\$3.68	\$3.79	\$3.91	\$4.02	\$4.14
Raw Water Use Charges						
Rate per 1,000 gallons	\$0.98	\$1.00	\$1.03	\$1.06	\$1.09	\$1.13

Source: City of Fernley August 18, 2021 City Council meeting.

Table 2
Proposed Five-Year Wastewater Rate Schedule

Customer Type	Current	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
	<i>Percentage Increase</i>	<i>3.00%</i>	<i>3.00%</i>	<i>3.00%</i>	<i>3.00%</i>	<i>3.00%</i>
Residential						
Flat Monthly Charge per Unit	\$39.25	\$40.43	\$41.64	\$42.89	\$44.18	\$45.50
Non-Residential						
Use Charge per 1,000 Gallons	\$2.73	\$2.81	\$2.89	\$2.98	\$3.07	\$3.16
Non-Residential Flat Monthly Charge by Meter Size						
3/4"	\$66.04	\$68.02	\$70.06	\$72.16	\$74.33	\$76.56
1"	\$81.38	\$83.82	\$86.34	\$88.93	\$91.59	\$94.34
1.5"	\$130.90	\$134.83	\$138.87	\$143.04	\$147.33	\$151.75
2"	\$244.03	\$251.35	\$258.89	\$266.66	\$274.66	\$282.90
3"	\$630.78	\$649.70	\$669.19	\$689.27	\$709.95	\$731.25
4"	\$1,017.50	\$1,048.03	\$1,079.47	\$1,111.85	\$1,145.21	\$1,179.56
6"	\$1,627.02	\$1,675.83	\$1,726.11	\$1,777.89	\$1,831.23	\$1,886.16

Source: City of Fernley August 18, 2021 City Council meeting.

Table 3 shows the current, calculated, and proposed connection fees. The Fernley City Council motion August 18, 2021 rounded the calculated connection fees up to the nearest \$1,000 dollars. Single family and multi-family units pay the fees shown; commercial projects pay the water connection fee shown multiplied by the estimated daily water use in thousands of gallons, and the wastewater connection fee shown multiplied by the estimated daily effluent generation in thousands of gallons.

Table 3
Current and Proposed Connection Fees

	Current	Calculated Fees	Proposed 1-Jan-22
<i>Fee per EDU / per 1,000 galls (commercial)</i>			
Water	\$5,165	\$6,825	\$7,000
Wastewater	\$3,474	\$4,268	\$5,000
Both Utilities	\$8,639	\$11,093	\$12,000

1.7 COMBINED UTILITIES BILL IMPACTS JANUARY 1, 2022

Fernley residents receive monthly utility bills that include water and wastewater; therefore, it is important to look at the combined impact on customer bills. **Figure 1** shows the total monthly bill impact to a typical home in Fernley using 15,000 gallons under the Fernley City Council **proposed** rates.

Figure 1
Combined Utility Bill Impact for a Home

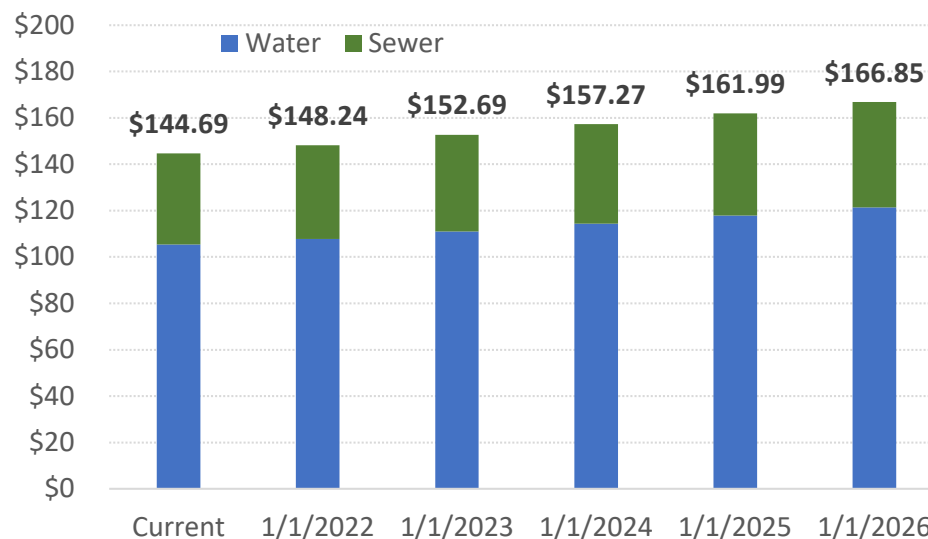


Table 4 shows the combined impact increase to a home in the first year of the increases and compares the total burden of the bill with United State Environmental Protection Agency (EPA) criteria for affordability. The United States EPA considers water bills to be affordable if they are less than 2.5% of median household income (MHI), and wastewater bills to be affordable if they are less than 2.0% of MHI. The total bill is less than 4.5% of median household income (MHI); therefore, the proposed rates are considered affordable by the Federal criteria.

Table 4
Combined Utilities Bill Impact for a Single Family Home

Utility	Current	Jan-22
Water		
Base Charge	\$51.44	\$52.60
Use Charges (15,000 galls)	\$54.00	\$55.22
Total Water Bill	\$105.44	\$107.81
Wastewater Bill	\$39.25	\$40.43
Total Utilities Bill	\$144.69	\$148.24
Increase in Bill		\$3.55
Percentage Increase		2.45%
Fernley MHI	\$5,030	\$5,030
Utility Bills as % of MHI [1]	2.88%	2.95%

Source: HEC 2021 rate study.

comb

[1] The EPA considers combined utility bills that are less than 4.5% of MHI to be affordable.

Section 2: WATER RATE STUDY

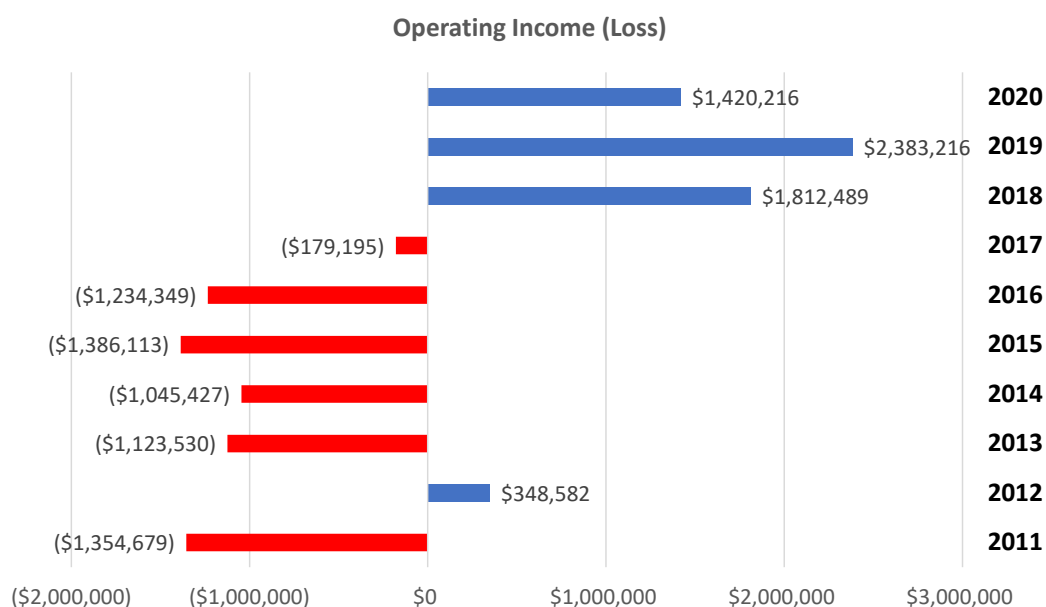
2.1 THE WATER FUND AND ITS CUSTOMERS

The City's water enterprise fund accounts for the revenues and expenses associated with provision of water service. An enterprise fund is a fund that is intended to recover its costs through user fees and charges for a specific service. Money collected for an enterprise fund cannot be spent on other services. Generally accepted accounting principles (GAAP) require state and local government to use the enterprise fund type to account for "business type activities". As a business type fund, enterprise funds must be self-sufficient. Enterprise funds also provide the repayment capacity for, and make debt service payments on, any debt incurred for capital projects; therefore, any water enterprise fund bond-funded projects do not diminish the City's general fund debt capacity.

It is important for enterprise funds to be self-sufficient, without subsidies from other funds, including the City's General Fund. General Fund cash should be used to protect against factors that could limit the City's ability to provide critical services. Decreasing General Fund reserves could leave the City financially vulnerable, reducing funds necessary to recover from a natural disaster, for example.

Before the increase in water rates in 2017, the City's water fund had negative operating income and was drawing down cash reserves. **Figure 2** shows the impact of the 2017 rate increases to the water fund. Not only is it important that the water fund cover its operating expenses, it must also collect sufficient revenues to pay for rehabilitation of existing assets and new capital improvements. The City includes depreciation in its rates to pay for these expenses.

Figure 2
Water Fund Net Operating Income by Fiscal Year



Appendix Table A-1 shows the details of historical water fund revenues and expenses as reported in the annual audits, including depreciation and capital contributions.

Table 5 below shows historical revenues and expenses for the water fund for fiscal years 2017 through 2020 from a cash perspective (depreciation is omitted). As illustrated in **Figure 2**, net revenues have been positive each year. The water rates that came into effect in 2017 were designed to produce operating revenues greater than operating expenses to build up cash reserves for system rehabilitation. In the next five-year period these cash reserves will be used to pay for capital improvement projects.

Table 5
Water Fund Historical and Budgeted Revenues and Expenses

Revenues and Expenditures	Fiscal Year Ending				Budget 2021
	2017	2018	2019	2020	
Revenue					
Water Sales	\$6,102,777	\$7,966,736	\$8,704,146	\$9,344,900	\$10,104,300
Material and Labor Charges	\$67,957	\$84,680	\$90,847	\$57,004	\$65,000
Water Ancillary Fees	\$3,029,839	\$4,470,669	\$4,406,940	\$4,432,186	\$4,417,103
Interest Earnings	\$44,051	\$109,497	\$379,028	\$467,361	\$100,000
Sale of Fixed Assets	\$0	\$924	\$2,723	\$0	\$0
In Lieu of Water Rights	\$100,288	\$1,113,976	\$115,299	\$8,234	\$10,000
Water Rights Lease	\$24,328	\$21,895	\$15,129	\$15,610	\$15,000
Miscellaneous Revenue	\$184,242	\$190,457	\$210,609	\$189,136	\$200,000
Credit Card Fees	\$0	\$0	\$0	\$26,339	\$45,000
Customer Contributions-Hookups/Connections	\$555,821	\$550,537	\$739,013	\$458,239	\$525,000
Dev. Contrib.-Desert Lakes	\$835	\$0	\$2,627	\$4,316	\$0
Capital Grant Contributions	\$56,657	\$0	\$0	\$263,834	\$0
Developer Contributions-Water Rights	\$49,613	\$479,674	\$32,224	\$165,627	\$2,000
Subtotal Revenue	\$10,216,408	\$14,989,045	\$14,698,585	\$15,432,786	\$15,483,403
Expense					
Compensation and Benefits	\$1,427,725	\$1,537,174	\$1,437,445	\$2,641,115	\$2,217,983
Contract and Technical Services	\$500,260	\$280,885	\$262,805	\$211,342	\$327,300
Other Power (gas, diesel, propane)	\$40,617	\$50,205	\$46,695	\$51,357	\$59,750
Electricity	\$411,000	\$438,888	\$459,542	\$440,060	\$530,000
Water Rights Protection	\$202,562	\$179,235	\$275,020	\$291,027	\$440,000
Repairs and Maintenance	\$260,820	\$206,109	\$266,521	\$206,863	\$351,200
Interfund Cost Alloc. Build	\$141,075	\$159,683	\$159,122	\$291,054	\$230,878
Insurance	\$117,661	\$124,132	\$124,265	\$140,102	\$138,500
Communications and Training	\$41,086	\$40,756	\$38,767	\$44,661	\$62,500
General Office Supplies and Equip.	\$4,263	\$6,574	\$50,839	\$106,753	\$66,100
Supplies/Tools	\$180,888	\$141,282	\$255,366	\$230,727	\$274,000
Permits and Licenses	\$12,676	\$16,095	\$11,860	\$11,300	\$20,000
Subtotal Expense	\$3,340,633	\$3,181,018	\$3,388,247	\$4,666,361	\$4,718,211
Debt Service	\$2,753,505	\$2,334,780	\$2,237,790	\$2,826,611	\$1,733,663
Net Revenue	\$4,122,270	\$9,473,247	\$9,072,548	\$7,939,814	\$9,031,529

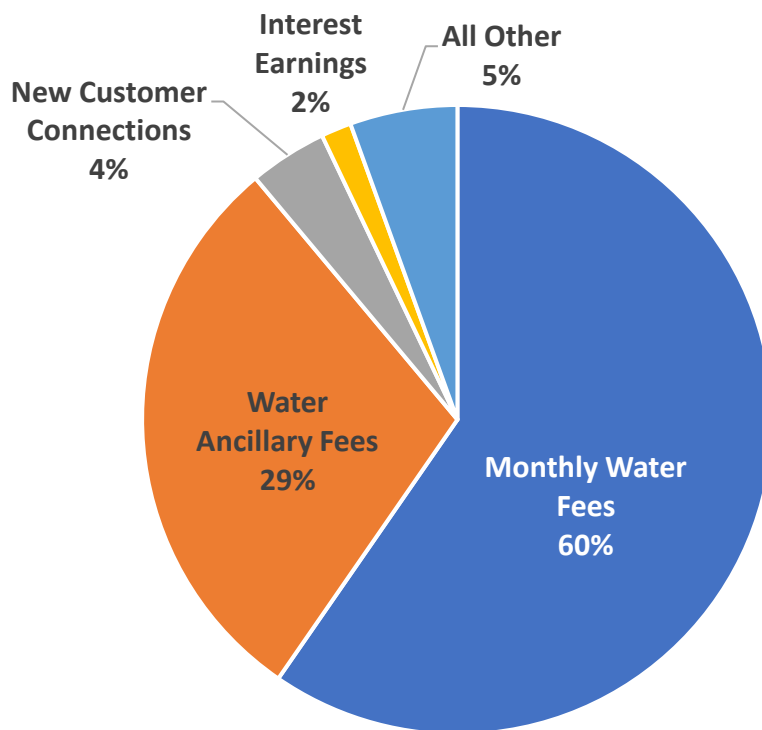
Source: City of Fernley.

hist

Revenues

Water system operations are funded through monthly rates, the water ancillary fee (collected with property taxes), and other miscellaneous revenues as shown in **Figure 3**.

Figure 3
Water Fund Revenue Sources



Rate revenue is generated by application of the water rate schedule shown in **Table 6** on the next page. All customers pay fixed monthly charges by meter size, and a use charge according to the quantity of water used each month. Water is measured in thousands of gallons. All customers pay the same rate for every unit of water consumed.

Table 6
Current Water Rates Schedule

Charge	Effective 7/1/2020
Service Charge	per month
3/4"	\$51.44
1"	\$85.31
1.5"	\$202.93
2"	\$320.23
3"	\$732.52
4"	\$1,018.08
6"	\$2,272.70
Other Service Charges	per month
Standby Fire Line (any size)	\$51.44
Hydrant Meter	\$83.12
Well 8 Key	\$49.87
Treated Water Use Charges	
Rate per 1,000 gallons	\$3.60
Raw Water Use Charges	
Rate per 1,000 gallons	\$0.98

Source: City of Fernley.

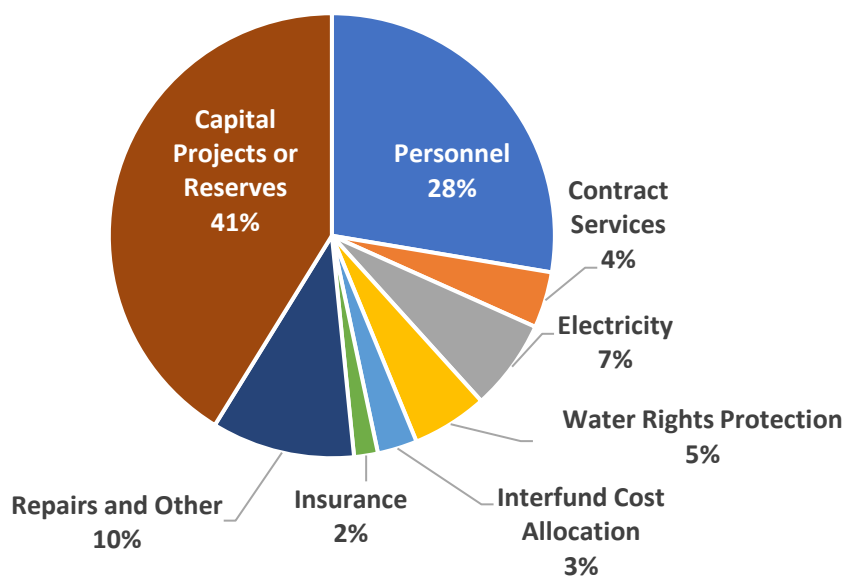
curr rates

Expenses

Annual operating costs include all water system operating expenses, debt service, and depreciation. *Existing debt service (the "water ancillary fee") is billed by Lyon County and collected with property taxes therefore it is excluded in the water rates calculations.*

The largest component of cost included in the water rates is system rehabilitation (depreciation) at 41%, followed by personnel (28%), and other operating costs, as shown in **Figure 4** on the following page. Budgeted fiscal year 2021 costs are the basis for projected expenses in the water rate study.

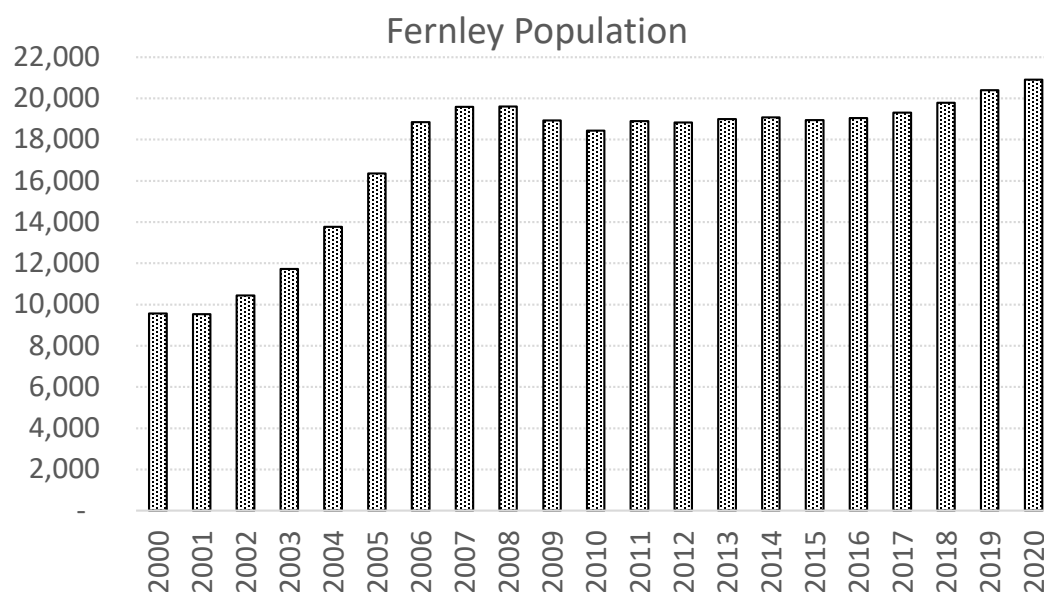
Figure 4
Budgeted Fiscal Year 2021 Water Fund Expenses



Customer Base

According to the Nevada Department of Taxation, Fernley has a population of approximately 20,900, and it has sustained an annual average population increase of 4.0% since 2000. Population growth is shown in **Figure 5. Appendix Table A-3** shows the annual change in estimated population and occupied housing units in Fernley since 2000.

Figure 5
Historical Population Growth



The City serves water to about 7,450 households and about 300 non-residential establishments, including serving several irrigation-only customers. The City provides potable water service through about 7,500 water meters, the majority of which are ¾" meters serving single family residences. Total water meters and equivalent meter units are shown in **Table 7**.

Table 7
Number of Meters and Meter Equivalents

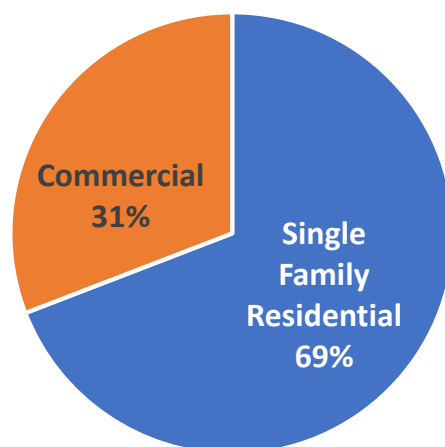
Meter Size	Number of Meters	Meter Flow (gpm)	Meter Ratio	Equivalent Meter Units
3/4"	7,133	30	1.0	7,133
1"	144	50	1.7	240
1.5"	59	120	4.0	236
2"	143	190	6.3	906
3"	7	435	14.5	102
4"	14	600	20.0	280
6"	3	1,350	45.0	135
Total	7,503			9,031

Source: City of Fernley billing data, February 2021.

meters

Water use by customer type (single family residential and commercial – which includes apartments) is illustrated in **Figure 6**. As the pie chart shows, most of the water demand (69%) is generated by single family residential customers.

Figure 6
Customer Water Demand (2017-2019)

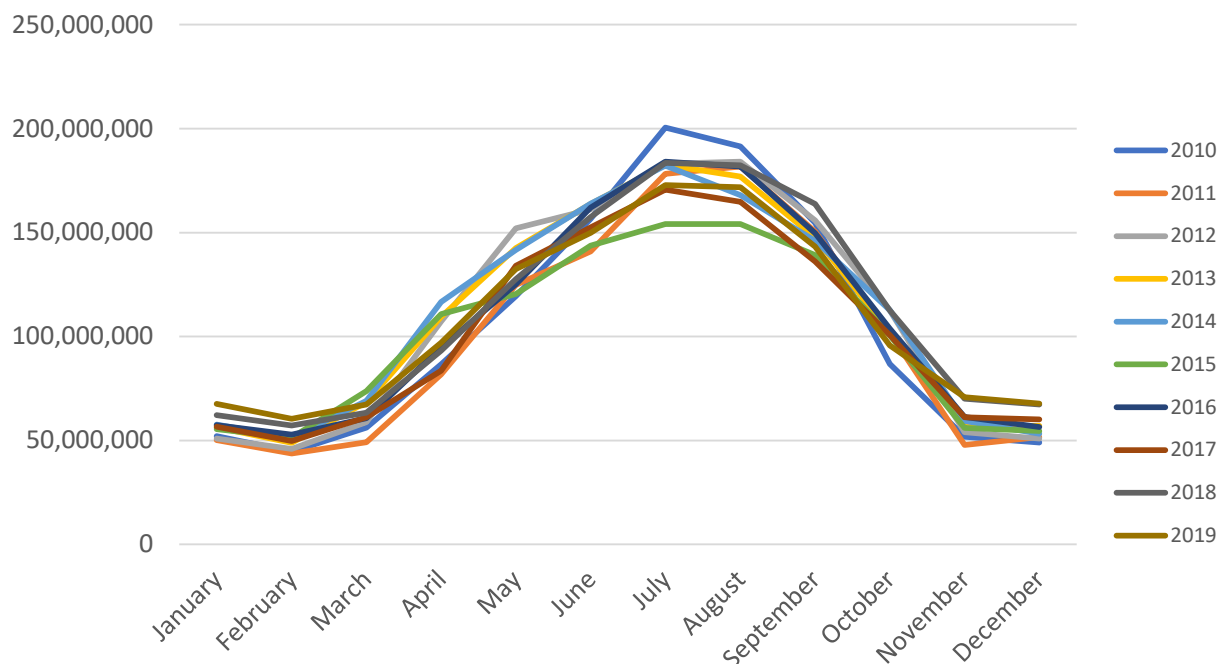


Currently, water demand is met entirely by the City’s groundwater wells. Water demand fluctuates from year to year depending on several factors including, but not limited to, growth, the weather, sustained drought, plumbing retrofits, and pricing of water. Historical average water demand between calendar years 2017 and 2019 (three years) is used as the basis on which water use by new customers is projected in the rate study.

Well production data is provided in **Appendix Table A-4**. Approximately 68% of annual water production is for year-round water consumption, and approximately 32% of annual water production is additional water for increased demand during the summer months. This consumption pattern is very typical of communities in the Western U.S., particularly Nevada and California.

Figure 7 shows water production in gallons by month for the past 10 years. Greater demand during the summer is driven primarily by the single-family customer category.

Figure 7
Seasonal Water Production



2.2 CAPITAL IMPROVEMENT PROJECTS

Over the next five years, total water system capital improvement costs are estimated at \$51.82 million in inflated dollars. Project cost estimates were provided in 2021 dollars; the rate study inflates the cost estimates by 3.5% each year which is close to the 10-year historical average increase in the Engineering News Record (ENR) Construction Cost Index (CCI). **Appendix Tables A-5** and **A-6** provide greater detail of the CIP items and costs.

Table 8 summarizes the total estimated costs and anticipated funding sources. It is anticipated that \$36.44 million of the total estimated \$51.82 million will be funded in the next five years.

Table 8
Funding Plan for Water CIP Costs

Sources of Funds	5-Year Est.	Fiscal Year Ending				
	Total	2022	2023	2024	2025	2026
Use of Funds						
Treatment Plant	\$12,527,378	\$5,970,000	\$4,740,300	\$598,708	\$598,708	\$619,662
Source Development & Wells	\$10,451,224	\$25,000	\$1,107,450	\$2,550,051	\$3,326,154	\$3,442,569
Storage	\$6,619,845	\$500,000	\$0	\$554,359	\$0	\$5,565,487
Transmission	\$20,681,811	\$1,350,000	\$1,086,750	\$388,051	\$4,545,743	\$13,311,267
Meters, Services & Fleet	\$1,539,639	\$389,500	\$271,688	\$568,218	\$152,449	\$157,784
Total Estimated CIP Costs	\$51,819,897	\$8,234,500	\$7,206,188	\$4,659,387	\$8,623,053	\$23,096,769
Source of Funds						
Capital Reserve	\$13,857,457	\$3,697,000	\$2,887,950	\$2,030,433	\$1,649,311	\$3,592,762
Capacity Reserve [1]	\$3,000,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000
Bond Proceeds	\$19,587,295	\$3,937,500	\$3,718,238	\$2,028,954	\$3,047,588	\$6,855,016
Total Funding	\$36,444,752	\$8,234,500	\$7,206,188	\$4,659,387	\$5,296,900	\$11,047,778
Unfunded Projects						
WMP Project 10 [2]	\$2,524,551	\$0	\$0	\$0	\$0	\$2,524,551
WMP Project 11 [2]	\$6,081,872	\$0	\$0	\$0	\$0	\$6,081,872
Other Unfunded Projects [3]	\$6,768,723	\$0	\$0	\$0	\$3,326,154	\$3,442,569
Total Unfunded Projects	\$15,375,145	\$0	\$0	\$0	\$3,326,154	\$12,048,992
Total Costs	\$51,819,897	\$8,234,500	\$7,206,188	\$4,659,387	\$8,623,053	\$23,096,769

Source: City of Fernley CIP and HEC 2021 rate study.

cip fund

[1] Connection fees put toward Master Plan Storage Project 12.

[2] These are growth-induced transmission projects.

[3] Development of Brady's Hot Springs.

2.3 REVENUE REQUIREMENT

According to the AWWA M1 Manual, the first step in the ratemaking analysis is to determine the adequate and appropriate funding of a utility. This is referred to as the “revenue requirements” analysis. This analysis considers the short-term and long-term service objectives of the utility over a given planning horizon, including capital facilities and system operations and maintenance, to determine the adequacy of a utility’s existing rates to recover its costs. A number of factors may affect these projections, including: the number of customers served, water-use trends, nonrecurring sales, weather, conservation, use restrictions, inflation, interest rates, capital finance needs, and other changes in operating and economic conditions.

The projection of the revenue requirement is the cornerstone for the calculation of rates. This section explains the derivation of revenue requirement for this study. Key components of the revenue requirement include:

- Operating Expenses
- Capital Improvements and Debt Service
- System Rehabilitation (depreciation)

Non-water sales revenue projections are credited against projected operations costs to determine the revenue requirement. Non-water sales include the water ancillary fees, connection fees, interest earnings, and other miscellaneous revenue.

Operating Expenses

Future year operating expenses are based on budgeted fiscal year 2021 operating expenses.

Appendix Table A-2 calculates the average annual increase in operating expenses by cost category since 2017. The average annual increase in operating expenses in the water fund was almost 12% between 2017 and 2020. This increase includes the interfund cost allocation to the water fund, which increased significantly between 2019 and 2020. For the projection of operating expenses in the water fund, it is estimated that costs will increase, on average, 9% per year.

It is very typical for water utility annual costs, and therefore water rates, to outstrip inflation. In May 2019, the American Water Works Association released an article, “Rate survey: water cost increases outpacing other U.S. goods and services” in which it documented that between 2016 and 2018 water rates increased 7.2% and wastewater rates 7.5% while the national consumer price index increased 4.6%.

Capital Improvements and Debt Service

Water system capital costs in any one year are dependent on the state of the current infrastructure to serve existing customers and necessary improvements to accommodate potential new customers. The water fund’s existing debt (see **Appendix Table A-7**) is paid for with water ancillary fees, which are collected by Lyon County with property taxes. Water fees do not support existing debt service.

New debt service is assumed to be incurred for CIP projects that are anticipated to be constructed within the next five years (excludes development of Brady’s Hot Springs) and are estimated to cost more than one million dollars. The list of projects estimated to cost more than one million dollars is provide in **Appendix Table A-8**. It is anticipated that the City will likely bond for 75% of these improvement costs in two bond sales. The bond sale assumptions and estimated annual debt service associated with the bond sales is provided in **Table 9** on the next page.

Table 9
Estimated Debt Service for New Water Bonds

Item	Assumption	Sale A Spring 2022	Sale B Spring 2025	TOTAL
Bond Proceeds		\$9,684,691	\$9,902,604	\$19,587,295
Existing Customers	57%	\$5,509,324	\$5,633,288	\$11,142,612
Future Customers	43%	\$4,175,367	\$4,269,316	\$8,444,683
Bond Sizing				
Capitalized Interest	6 months	\$230,000	\$235,200	\$465,200
Issuance Costs	4.0%	\$387,390	\$396,100	\$783,490
Underwriter's Discount	1.0%	\$96,850	\$99,030	\$195,880
Bond Reserve Fund	1 year debt service	\$887,800	\$907,800	\$1,795,600
Estimated Bond Size		\$20,971,420	\$21,443,340	\$42,414,760
Bond Size Adjusted for Rounding	1.167 bond load	\$11,302,000	\$11,556,300	\$22,858,300
Estimated Annual Debt Service		\$887,800	\$907,800	\$1,795,600
Total Payments		\$17,756,000	\$18,156,000	\$35,912,000
Principal Repayment		\$9,684,691	\$9,902,604	\$19,587,295
Estimated Financing Charges		\$8,071,309	\$8,253,396	\$16,324,705
Existing Customers	57%	\$4,591,520	\$4,695,104	\$9,286,624
Future Customers	43%	\$3,479,789	\$3,558,292	\$7,038,081
Assumptions:				
Interest	4.75%			
Years	20			

Source: HEC June 2021.

new debt

System Rehabilitation

Depreciation is used as the basis on which to collect rates to cover system rehabilitation costs. Inclusion of system rehabilitation costs demonstrates fiscal responsibility toward the assets to potential future investors and helps to establish good credit¹. Depreciation is calculated based on existing water facilities assets values and the cost of new facilities anticipated to be built in the next five-year period (see **Appendix Table A-9**).

Table 10 on the next page shows the total annual amount included in the rates for system rehabilitation. The cost includes replacement of existing assets and assets that are estimated to be constructed during the study time period. The water rates include 100% of depreciation; in many years not all of the money collected is spent; in these years the additional amount is kept in the reserves and spent in another year in which capital costs exceed collections for system rehabilitation.

¹ Per Governmental Accounting Standards Board (GASB) 34, local governments must report on the value of their infrastructure assets and plan for asset maintenance (including collecting sufficient revenue) to obtain good credit when issuing bonds or procuring other forms of financing for long-term construction projects.

Table 10
System Rehabilitation Costs

Asset List	Fiscal Year Ending					
	2021	2022	2023	2024	2025	2026
Existing Assets [1]	\$3,306,547	\$3,405,743	\$3,507,915	\$3,613,153	\$3,721,547	\$3,833,194
New Assets Annual Depreciation		\$198,758	\$367,420	\$474,550	\$556,503	\$710,892
Total Annual Depreciation	\$3,306,547	\$3,604,501	\$3,875,336	\$4,087,703	\$4,278,050	\$4,544,086
Percentage included in Rates	100%	100%	100%	100%	100%	100%
System Rehabilitation in Rates	\$3,306,547	\$3,604,501	\$3,875,336	\$4,087,703	\$4,278,050	\$4,544,086

Source: City of Fernley and HEC.

assets

[1] Increased 3% per year.

Calculated Revenue Requirement

Table 11 on the next page provides the projection of annual costs and revenues and the resulting revenue requirement through fiscal year 2026. Over the next five years, the revenue requirement is projected to continue to increase to account for inflation, depreciation, and to account for new debt. The total revenue requirement is projected to increase from \$6.97 million in fiscal year 2021 to \$12.30 million in fiscal year 2026. The calculated water rates are based on raising sufficient revenue to fund the revenue requirement and cash outlay for the CIP with even 3.0% percentage increases over time. The amount to be raised each year by water rates from existing customers is the “collection in rates” line underneath the revenue requirement line in **Table 11**.

Revenue requirement and the amount to be collected in rates from existing customers are illustrated in **Figure 8** on page 19.

Table 11
Projected Revenue Requirement

Expenses	Annual Escalator	Fiscal Year Ending					
		2021 budget	2022 projected	2023 projected	2024 projected	2025 projected	2026 projected
Operating Expenses							
Compensation and Benefits	10.0%	\$2,217,983	\$2,439,781	\$2,683,759	\$2,952,135	\$3,247,349	\$3,572,084
Contract and Technical Services	3.0%	\$327,300	\$337,119	\$347,233	\$357,650	\$368,379	\$379,430
Other Power (gas, diesel, propane)	10.0%	\$59,750	\$65,725	\$72,298	\$79,527	\$87,480	\$96,228
Electricity	3.0%	\$530,000	\$545,900	\$562,277	\$579,145	\$596,520	\$614,415
Water Rights Protection	10.0%	\$440,000	\$484,000	\$532,400	\$585,640	\$644,204	\$708,624
Repairs and Maintenance	10.0%	\$351,200	\$386,320	\$424,952	\$467,447	\$514,192	\$565,611
Interfund Cost Alloc. Build [1]	10.0%	\$230,878	\$253,966	\$279,362	\$307,299	\$338,028	\$371,831
Insurance	10.0%	\$138,500	\$152,350	\$167,585	\$184,344	\$202,778	\$223,056
Communications and Training	3.0%	\$62,500	\$64,375	\$66,306	\$68,295	\$70,344	\$72,455
General Office Supplies and Equip.	10.0%	\$66,100	\$72,710	\$79,981	\$87,979	\$96,777	\$106,455
Supplies/Tools	10.0%	\$274,000	\$301,400	\$331,540	\$364,694	\$401,163	\$441,280
Permits and Licenses	3.0%	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185
Total Operating Expenses		\$4,718,211	\$5,124,246	\$5,568,911	\$6,056,010	\$6,589,725	\$7,174,654
Debt Service							
Water Bonds		\$4,325,677	\$4,234,050	\$4,232,249	\$4,207,141	\$4,211,235	\$4,228,961
New Debt		\$0	\$0	\$887,800	\$887,800	\$887,800	\$1,795,600
Subtotal Debt Service		\$4,325,677	\$4,234,050	\$5,120,049	\$5,094,941	\$5,099,035	\$6,024,561
System Rehabilitation		\$3,306,547	\$3,604,501	\$3,875,336	\$4,087,703	\$4,278,050	\$4,544,086
Non-Operating Credits (Expenses)							
Material and Labor Charges	constant	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000
Water Ancillary Fees		\$4,417,103	\$4,234,050	\$4,232,249	\$4,207,141	\$4,211,235	\$4,228,961
Interest Earnings	constant	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
In Lieu of Water Rights	constant	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Water Rights Lease	constant	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Miscellaneous Revenue	constant	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Credit Card Fees	2%	\$45,000	\$45,900	\$46,818	\$47,754	\$48,709	\$49,684
Connection Fees [2]	2%	\$525,000	\$693,755	\$707,630	\$721,783	\$736,219	\$750,943
Developer Contributions-Water Rights [3]	constant	\$2,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Total Non-operating Credits (expenses)		\$5,379,103	\$5,383,705	\$5,396,697	\$5,386,679	\$5,406,163	\$5,439,588
TOTAL REVENUE REQUIREMENT		\$6,971,332	\$7,579,092	\$9,167,598	\$9,851,975	\$10,560,647	\$12,303,714
COLLECTION IN RATES [4]		\$10,104,000	\$10,255,560	\$10,485,173	\$10,681,478	\$10,900,825	\$11,114,886
Percent Change in Revenue Requirement			3.0%	3.0%	3.0%	3.0%	3.0%

Source: City of Fernley and HEC.

rev req

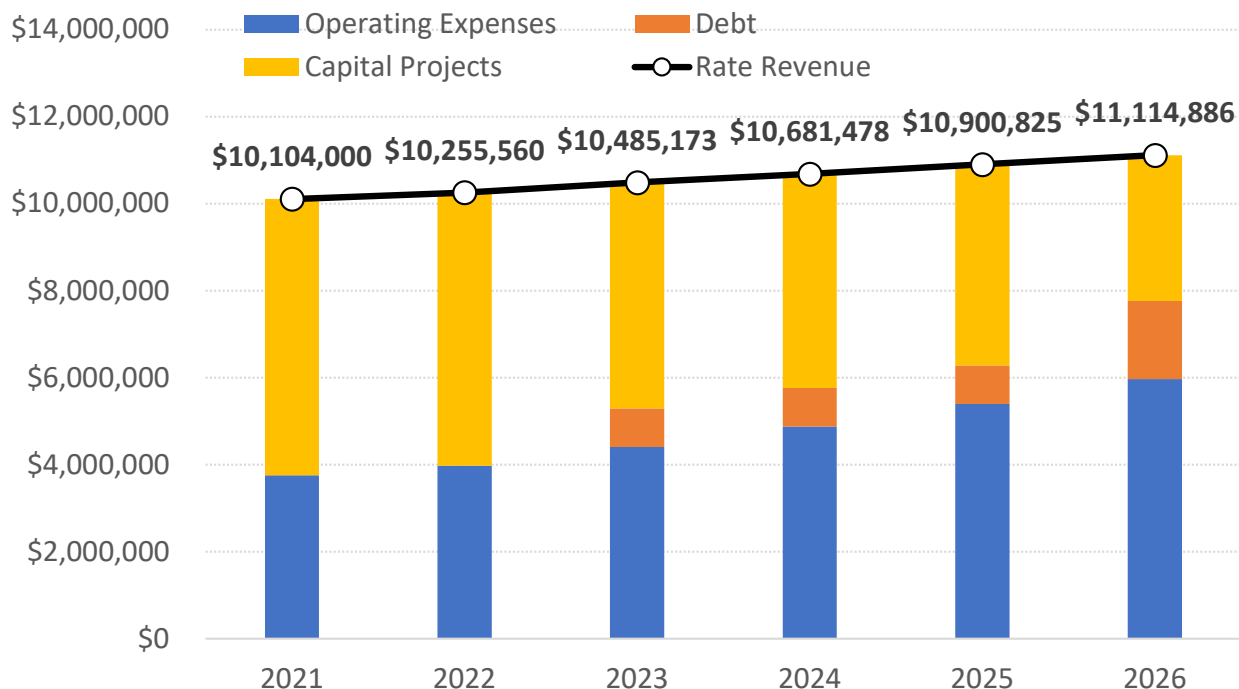
[1] Includes the City Hall installment purchase which will be paid off by Fiscal Year 2026 at the latest.

[2] Increased by the increase in the calculated new connection fee in year 1 and by 2% each year thereafter for automatic inflation increases anticipated in the updated water connection fee resolution.

[3] Highly variable from year to year. Constant future estimates based on review of last five years of revenue data.

[4] Each fiscal year calculated six months under the existing rates, and six months under the new rates. New rates become effective January 1 each year.

Figure 8
Components of Revenue Requirement



2.4 WATER RATE CALCULATIONS

Because this study does not examine cost of service and rate design, the water rates are increased by a percentage annually to pay for the revenue requirement plus capital improvements cash outlay. The water rate increases are balanced with the cash flow needs of the water fund and anticipated additional revenues from new growth.

*The water rates need to increase 3.0% each year to meet the financial needs of the water fund over the next five years. **Table 12** shows the calculated water rates.*

Table 12
Calculated Water Rates

	Current	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
<i>Percentage Increase</i>		3.0%	3.0%	3.0%	3.0%	3.0%
Service Charge						
		Charge per Month				
3/4"	\$51.44	\$52.98	\$54.57	\$56.21	\$57.90	\$59.63
1"	\$85.31	\$87.87	\$90.51	\$93.22	\$96.02	\$98.90
1.5"	\$202.93	\$209.02	\$215.29	\$221.75	\$228.40	\$235.25
2"	\$320.23	\$329.84	\$339.73	\$349.92	\$360.42	\$371.23
3"	\$732.52	\$754.50	\$777.13	\$800.44	\$824.46	\$849.19
4"	\$1,018.08	\$1,048.62	\$1,080.08	\$1,112.48	\$1,145.86	\$1,180.23
6"	\$2,272.70	\$2,340.88	\$2,411.11	\$2,483.44	\$2,557.94	\$2,634.68
Other Service Charges						
		Charge per Month				
Standby Fire Line (any size)	\$51.44	\$52.98	\$54.57	\$56.21	\$57.90	\$59.63
Hydrant Meter	\$83.12	\$85.61	\$88.18	\$90.83	\$93.55	\$96.36
Well 8 Key	\$49.87	\$51.37	\$52.91	\$54.49	\$56.13	\$57.81
Treated Water Use Charges						
Rate per 1,000 gallons	\$3.60	\$3.71	\$3.82	\$3.93	\$4.05	\$4.17
Raw Water Use Charges						
Rate per 1,000 gallons	\$0.98	\$1.01	\$1.04	\$1.07	\$1.10	\$1.14

Source: City of Fernley and HEC 2021 water rate study.

summ

In addition to the water sales revenue generated by increasing the rates 3.0% per year, the addition of new customers will increase water rate revenues. Growth of 100 residential units and 10 businesses (equivalent meter units, which are ¾-inch meters) is included in the financial model.

Table 13 on the next page estimates the additional revenue from growth. Projected annual increases in water demand from the new customers is calculated in **Appendix Table A-10**.

Table 13
Estimated New Rate Revenue from Growth

Charge Types	2021	2022	2023	2024	2025	2026
<i>New Rates Effective</i>		<i>1/1/2022</i>	<i>1/1/2023</i>	<i>1/1/2024</i>	<i>1/1/2025</i>	<i>1/1/2026</i>
Service Charges						
Number of New Equivalent Meters		110	110	110	110	110
Charge per Equivalent Meter	\$51.44	\$52.98	\$54.57	\$56.21	\$57.90	\$59.63
Total New Revenue from Base		\$68,919	\$70,987	\$73,116	\$75,310	\$77,569
Use Charges						
Additional Water Use		10,748	10,748	10,748	10,748	10,748
Charge per 1,000 Gallons	\$3.60	\$3.71	\$3.82	\$3.93	\$4.05	\$4.17
Total Additional Use Charges		\$39,273	\$40,451	\$41,665	\$42,915	\$44,202
Total Water Charges from Growth		\$108,193	\$111,438	\$114,782	\$118,225	\$121,772
Cumulative Water Charges		\$108,193	\$219,631	\$334,413	\$452,638	\$574,409

Source: City of Fernley and HEC.

grow rev

2.5 CASH FLOW AND RESERVE FUND BALANCES

Table 14 shows the projected cash flow for the water enterprise fund through fiscal year 2026. With adoption of the calculated increased rates, it is anticipated that the City will be able to meet all water enterprise fund obligations, including existing and potential debt service coverage requirements.

In 2019, the City adopted Resolution 2019-008, which established reserve funds for both the water and wastewater utility enterprise funds. Per the City's policy adopted by this resolution, operating expenses must be covered first. Once at least nine months of operating expenses has accumulated in reserve in the operating fund, the remaining cash is transferred out to the capital fund. The capital fund pays for all the major rehabilitation projects and new infrastructure. The target cash accumulation in the capital fund is 75% of accumulated depreciation. If this is achieved, remaining cash will be transferred into an emergency fund. Connection fees, which are paid for by new development for their cost share of new or upgraded infrastructure, are deposited into a separate capacity reserve fund. Cash is transferred from the capacity reserve fund to the capital fund to pay for growth's share of infrastructure costs, and is transferred to the operating fund to pay for growth's share of debt service associated with infrastructure costs, when this occurs. **Table 15** shows the projected reserve fund balances by year and how the City's policy is met.

Table 14
Projected Water Fund Cash Flow

Revenues and Expenses	Fiscal Year Ending					
	2021 budgeted <i>New Rates Effective</i>	2022 projected <i>1/1/2022</i>	2023 projected <i>1/1/2023</i>	2024 projected <i>1/1/2024</i>	2025 projected <i>1/1/2025</i>	2026 projected <i>1/1/2026</i>
Revenues						
Existing Customer Water Sales	\$10,104,000	\$10,255,560	\$10,485,173	\$10,681,478	\$10,900,825	\$11,114,886
New Growth Water Sales		\$108,193	\$219,631	\$334,413	\$452,638	\$574,409
Material and Labor Charges	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000
Water Ancillary Fees	\$4,417,103	\$4,234,050	\$4,232,249	\$4,207,141	\$4,211,235	\$4,228,961
Interest Earnings	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
In Lieu of Water Rights	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Water Rights Lease	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Miscellaneous Revenue	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Credit Card Fees	\$45,000	\$45,900	\$46,818	\$47,754	\$48,709	\$49,684
Connection Fees	\$525,000	\$693,755	\$707,630	\$721,783	\$736,219	\$750,943
Developer Contributions-Water Rights	\$2,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Total Revenues	\$15,483,103	\$15,747,458	\$16,101,502	\$16,402,569	\$16,759,626	\$17,128,883
Operating Expenses	\$4,718,211	\$5,124,246	\$5,568,911	\$6,056,010	\$6,589,725	\$7,174,654
Net Revenue before Capital Improvements and Debt Service	\$10,764,892	\$10,623,212	\$10,532,590	\$10,346,559	\$10,169,902	\$9,954,228
Debt Service	\$4,325,677	\$4,234,050	\$5,120,049	\$5,094,941	\$5,099,035	\$6,024,561
<i>Debt Service Coverage [1]</i>	<i>2.49</i>	<i>2.51</i>	<i>2.06</i>	<i>2.03</i>	<i>1.99</i>	<i>1.65</i>
Net Revenue	\$6,439,215	\$6,389,162	\$5,412,542	\$5,251,618	\$5,070,866	\$3,929,668
Beginning Cash Balance [2]	\$25,441,945	\$25,307,660	\$33,147,013	\$31,353,367	\$31,945,598	\$41,622,168
Net Revenue	\$6,439,215	\$6,389,162	\$5,412,542	\$5,251,618	\$5,070,866	\$3,929,668
Bond Proceeds	\$0	\$9,684,691	\$0	\$0	\$9,902,604	\$0
CIP Projects [3]	(\$6,573,500)	(\$8,234,500)	(\$7,206,188)	(\$4,659,387)	(\$5,296,900)	(\$11,047,778)
Projected Ending Cash Balance	\$25,307,660	\$33,147,013	\$31,353,367	\$31,945,598	\$41,622,168	\$34,504,058
Restricted						
Restricted Water Rights Fees	\$4,308,718	\$4,318,718	\$4,328,718	\$4,338,718	\$4,348,718	\$4,358,718
Projected Unrestricted Cash Balance	\$20,998,942	\$28,828,295	\$27,024,649	\$27,606,880	\$37,273,450	\$30,145,340

Source: City of Fernley financial information and 2021 HEC water rate study.

flow

[1] Debt service coverage should not fall below 1.25.

[2] Beginning unrestricted cash balance as of July 1, 2020.

[3] CIP project costs for fiscal year 2021 presented in the Budget Book. Projected CIP costs in Table 8.

Table 15
Projected Reserve Funds Cash Balances

Projected Cash Balances by Fund	2021	2022	2023	2024	2025	2026
Operating Reserve						
Beginning Balance	\$7,298,905	\$3,538,658	\$3,843,185	\$4,176,683	\$4,542,007	\$4,942,294
Net Revenues	\$5,904,215	\$5,685,407	\$4,694,911	\$4,519,835	\$4,324,648	\$3,168,724
Transfer In from Capacity Fund [1]	\$0	\$0	\$382,758	\$382,758	\$382,758	\$774,138
Subtotal	\$13,203,120	\$9,224,065	\$8,920,854	\$9,079,276	\$9,249,413	\$8,885,156
<i>Target: 9 Months O&M Expenses</i>	\$3,538,658	\$3,843,185	\$4,176,683	\$4,542,007	\$4,942,294	\$5,380,991
Transfer Out to Capital Fund	(\$9,664,462)	(\$5,380,880)	(\$4,744,170)	(\$4,537,268)	(\$4,307,119)	(\$3,504,165)
Ending Operating	\$3,538,658	\$3,843,185	\$4,176,683	\$4,542,007	\$4,942,294	\$5,380,991
Capital Reserve						
Beginning Balance	\$11,540,712	\$14,631,674	\$22,062,745	\$20,200,728	\$20,678,609	\$30,191,433
Transfer In from Operating Fund	\$9,664,462	\$5,380,880	\$4,744,170	\$4,537,268	\$4,307,119	\$3,504,165
Bond Proceeds	\$0	\$9,684,691	\$0	\$0	\$9,902,604	\$0
CIP Projects Costs	(\$6,573,500)	(\$8,234,500)	(\$7,206,188)	(\$4,659,387)	(\$5,296,900)	(\$11,047,778)
Subtotal	\$14,631,674	\$21,462,745	\$19,600,728	\$20,078,609	\$29,591,433	\$22,647,820
Transfer In from Capacity Fund	\$0	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000
Ending Capital Fund Balance	\$14,631,674	\$22,062,745	\$20,200,728	\$20,678,609	\$30,191,433	\$23,247,820
<i>Target: 75% Accumulated Depr. [2]</i>	\$32,430,639	\$32,430,639	\$32,430,639	\$32,430,639	\$32,430,639	\$32,430,639
Capacity (Connection Fees) Reserve						
Beginning Balance	\$2,303,610	\$2,828,610	\$2,922,365	\$2,647,238	\$2,386,263	\$2,139,724
Connection Fees	\$525,000	\$693,755	\$707,630	\$721,783	\$736,219	\$750,943
Transfer Out to Operating Fund [1]	\$0	\$0	(\$382,758)	(\$382,758)	(\$382,758)	(\$774,138)
Transfer Out to Capital Fund	\$0	(\$600,000)	(\$600,000)	(\$600,000)	(\$600,000)	(\$600,000)
Ending Capacity Fund Balance	\$2,828,610	\$2,922,365	\$2,647,238	\$2,386,263	\$2,139,724	\$1,516,529
TOTAL UNRESTRICTED CASH	\$20,998,942	\$28,828,295	\$27,024,649	\$27,606,880	\$37,273,450	\$30,145,340
In Lieu Of (Water Rights)						
			<i>Restricted</i>			
Beginning Balance	\$4,298,718	\$4,308,718	\$4,318,718	\$4,328,718	\$4,338,718	\$4,348,718
In Lieu of Fees	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Ending Balance	\$4,308,718	\$4,318,718	\$4,328,718	\$4,338,718	\$4,348,718	\$4,358,718
TOTAL Cash Balance	\$25,307,660	\$33,147,013	\$31,353,367	\$31,945,598	\$41,622,168	\$34,504,058

Source: City financial documents and 2021 HEC Rate Study.

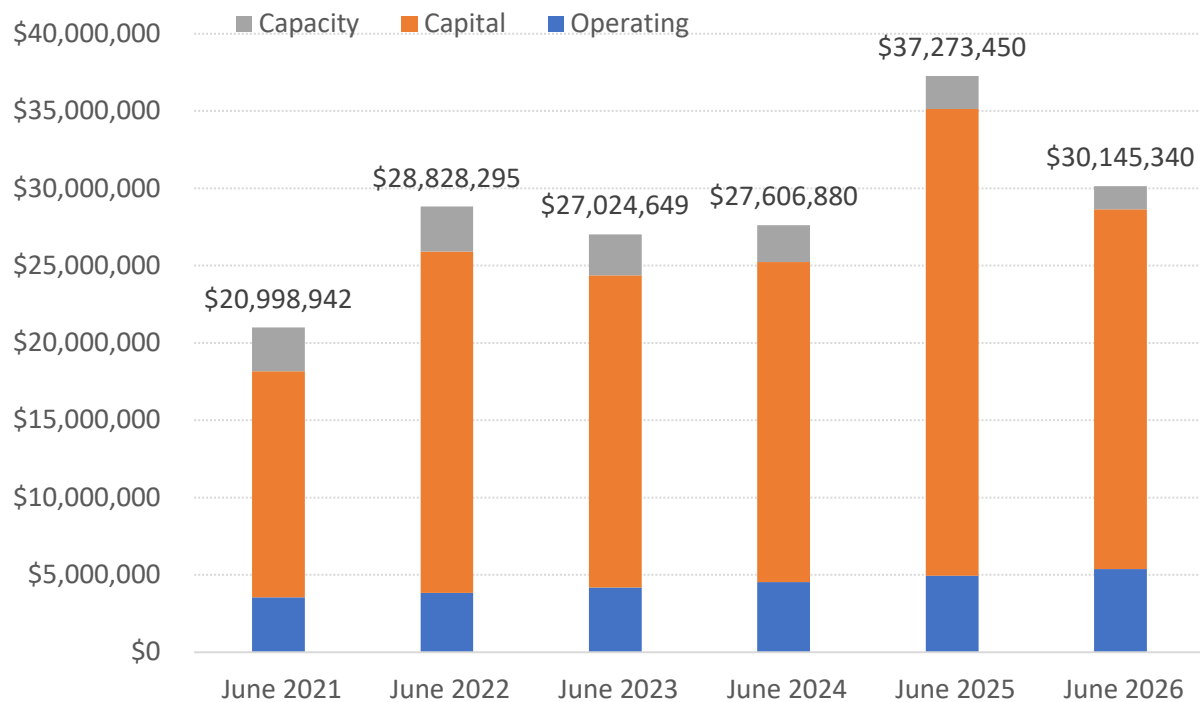
all bal

[1] Transfer is to pay for new growth's share of debt service.

[2] Accumulated depreciation will change each year. Amount shown is for Fiscal Year 2020.

Figure 9 shows projected unrestricted cash balances by reserve fund through fiscal year ending 2026. The estimated cash balances should be considered preliminary estimates. The City may choose to bond for different projects than the ones selected in this rate study, and could choose to pay for more CIP costs with available cash on hand. The City should review available cash and projected cash balances before each bond sale to determine the best financing strategy at that time.

Figure 9
Projected Water Cash Balances by Reserve Fund



2.6 BILL IMPACT

Bill impacts arising from calculated new rates (3% increase) beginning January 2022 are illustrated for single family homes and businesses with ¾-inch meters at different use levels in **Table 16** on the next page.

Table 16

Bill Impact for a ¾" Meter Water Service – 3% Increase in Rates

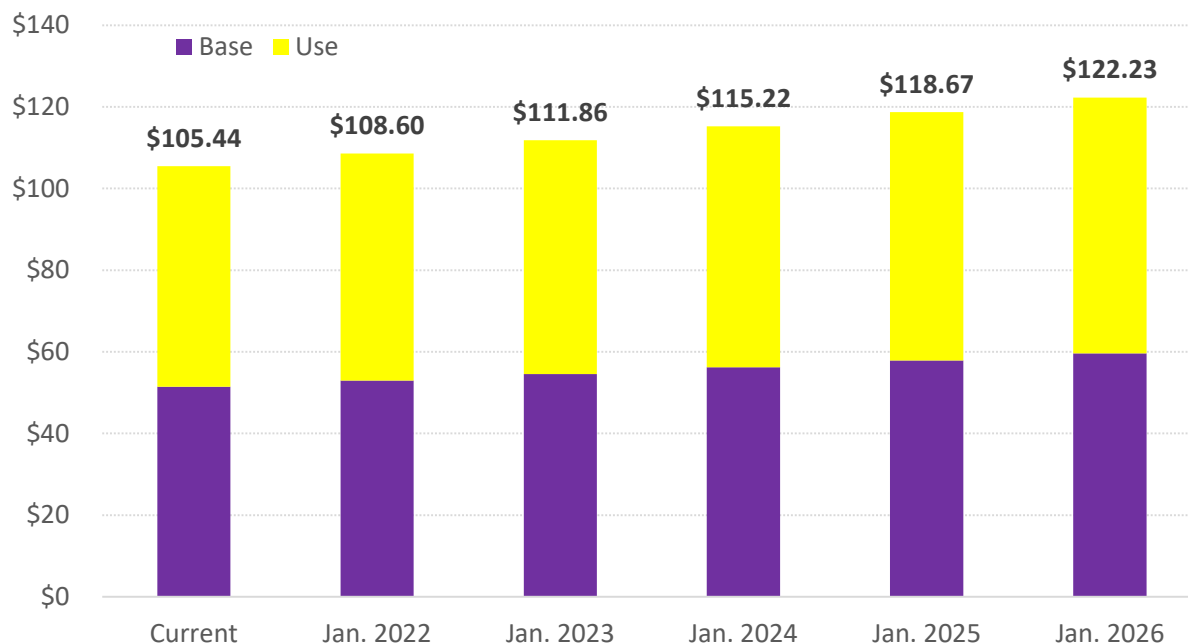
Monthly Use	Current			Rates January 1, 2022			Total Increase
	Base	Use	Total	Base	Use	Total	
gallons		<i>\$3.60 per 1,000 galls</i>			<i>\$3.71 per 1,000 galls</i>		
2,000	\$51.44	\$7.20	\$58.64	\$52.98	\$7.42	\$60.40	\$1.76
4,000	\$51.44	\$14.40	\$65.84	\$52.98	\$14.83	\$67.82	\$1.98
6,000	\$51.44	\$21.60	\$73.04	\$52.98	\$22.25	\$75.23	\$2.19
8,000	\$51.44	\$28.80	\$80.24	\$52.98	\$29.66	\$82.65	\$2.41
10,000	\$51.44	\$36.00	\$87.44	\$52.98	\$37.08	\$90.06	\$2.62
12,000	\$51.44	\$43.20	\$94.64	\$52.98	\$44.50	\$97.48	\$2.84
14,000	\$51.44	\$50.40	\$101.84	\$52.98	\$51.91	\$104.90	\$3.06
15,000	\$51.44	\$54.00	\$105.44	\$52.98	\$55.62	\$108.60	\$3.16
16,000	\$51.44	\$57.60	\$109.04	\$52.98	\$59.33	\$112.31	\$3.27
18,000	\$51.44	\$64.80	\$116.24	\$52.98	\$66.74	\$119.73	\$3.49
20,000	\$51.44	\$72.00	\$123.44	\$52.98	\$74.16	\$127.14	\$3.70
22,000	\$51.44	\$79.20	\$130.64	\$52.98	\$81.58	\$134.56	\$3.92
24,000	\$51.44	\$86.40	\$137.84	\$52.98	\$88.99	\$141.98	\$4.14
26,000	\$51.44	\$93.60	\$145.04	\$52.98	\$96.41	\$149.39	\$4.35
28,000	\$51.44	\$100.80	\$152.24	\$52.98	\$103.82	\$156.81	\$4.57
30,000	\$51.44	\$108.00	\$159.44	\$52.98	\$111.24	\$164.22	\$4.78
32,000	\$51.44	\$115.20	\$166.64	\$52.98	\$118.66	\$171.64	\$5.00
34,000	\$51.44	\$122.40	\$173.84	\$52.98	\$126.07	\$179.06	\$5.22
36,000	\$51.44	\$129.60	\$181.04	\$52.98	\$133.49	\$186.47	\$5.43
38,000	\$51.44	\$136.80	\$188.24	\$52.98	\$140.90	\$193.89	\$5.65
40,000	\$51.44	\$144.00	\$195.44	\$52.98	\$148.32	\$201.30	\$5.86

Source: City of Fernley and HEC 2021 rate study.

impact

The projection of a monthly bill for homes using 15,000 gallons is illustrated in **Figure 10** for the next five years. The projection is made under the calculated 3% increase in rates each January.

Figure 10
Projected Bill Impact for a Home using 15,000 Gallons



2.7 WATER CONNECTION FEES

New development must pay a connection fee when applying for water service. The connection fee pays for water infrastructure capacity to serve the new customer. Included in the connection fee is cost to buy-in to existing infrastructure, as well as estimated cost to build new infrastructure. The buy-in fee is new development's share of existing asset value minus outstanding principal on facilities that were debt financed. Projected 20-year growth, shown in **Appendix Table A-11**, is based on the City's Draft Water Master Plan. By 2040, the WMP estimates there will be 12,513 water connections. The buy-in facilities cost is divided by the total number of water connections in 2040 to determine the buy-in fee.

The new facilities fee is calculated by first allocating the 2021 CIP cost estimates between existing and future customers, as provided in **Appendix Table A-12**. Estimated financing charges for the future customers' share of costs is added to the fee calculation because a portion of the new debt service will be paid for by the capacity reserve fund with connection fees. The total new facilities costs are divided by the number of anticipated new water connections over the next twenty years.

The connection fee calculation is shown in **Table 17**. The fee is calculated on a per equivalent dwelling unit (EDU) basis. Single family and multi-family units pay the same fee. Commercial pays the EDU fee per 1,000 gallons of daily water demand, as calculated by City staff. The connection fee is based on current estimated costs of the CIP (not the inflated costs) so it is advisable to include an

automatic inflation index in the adopting fee resolution that is applied to the fee each year to keep up with current construction costs.

The calculated updated fee would increase the water connection fee from \$5,165 to \$6,825 per EDU in January 2022.

Table 17
Water Connection Fee Calculation

Item		Updated Fee Calculation
Buy-In Fee		<i>Jan-22</i>
Net Book Value		\$76,488,502
less Outstanding Principal		\$53,774,518
Buy-In Cost of Existing Facilities		\$22,713,983
Projected EDUs in 2040	Table A-11	12,513
Buy-in Fee per EDU	a	\$1,815
New Facilities Fee		
New Facilities (Growth Share)	Table A-12	\$21,128,295
Financing Charges for New Facilities [1]	Table 9	\$7,038,081
Total Costs		\$28,166,375
Future new EDUs [2]	Table A-11	5,626
New Facilities Fee per EDU	b	\$5,010
Total Connection Fee per Residential Unit or per 1,000 Galls/Day (Commercial) [3]		c = a +b
		\$6,825
Current Fee		\$5,165
Percentage Increase in Connection Fee		32%

Source: HEC.

conn cost

[1] New growth's share of facilities financing charges.

[2] Anticipated through build-out of tentative maps.

[3] Recommended fee increase each January 1 per the ENR CCI change over the past 12 months (October to October).

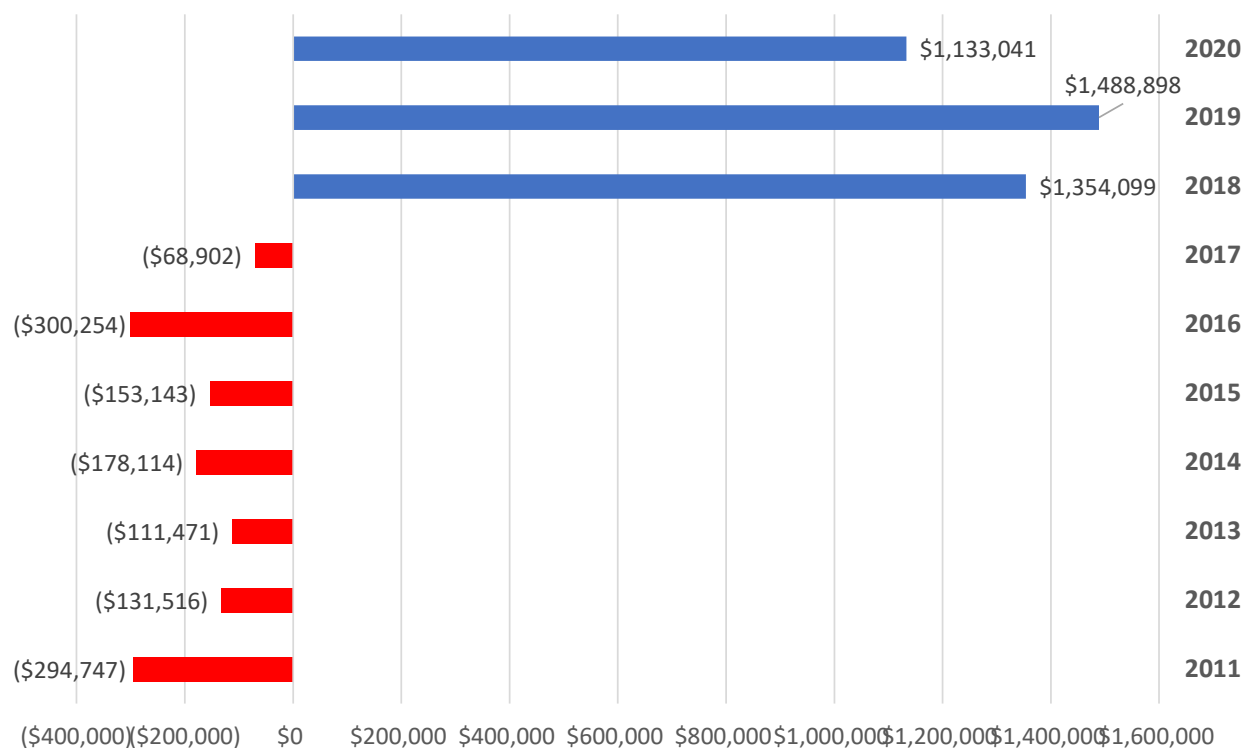
Section 3: WASTEWATER RATE STUDY

The wastewater rate study was prepared using the principles established by the Water Environment Federation Manual of Practice No. 27. As with the water rate study, the wastewater rates are calculated on the projected revenue requirement and CIP anticipated cost needs, taking into account current levels of cash reserves in the operating, capital, and capacity reserve funds. This study does not include a cost of service analysis as an extensive cost of service and rate design analysis was conducted in 2016 for the wastewater fund.

3.1 THE WASTEWATER FUND AND ITS CUSTOMERS

Before the increase in wastewater rates in 2017, the City also had negative operating income and was drawing down cash reserves in the wastewater fund. **Figure 11** shows the impact of the 2017 rate increases to the City's wastewater fund. The City includes depreciation in its wastewater rates to pay for rehabilitation of existing assets and new capital improvements.

Figure 11
Wastewater Fund Historical Annual Operating Income (Loss)



Appendix Table B-1 shows the details of historical wastewater fund revenues and expenses as reported in the annual audit, including depreciation and capital contributions.

Table 18 shows historical revenues and expenses for the wastewater operating fund for fiscal years 2017 through 2020 from a cash perspective (depreciation is omitted). Net revenues have been positive each year. The wastewater rates that came into effect in 2017 were designed to produce operating revenues greater than operating expenses to build up cash reserves for system rehabilitation. In the next five-year period these cash reserves will be used to pay for capital improvement projects.

Table 18
Wastewater Fund Historical and Budgeted Revenues and Expenses

Revenues and Expenditures	Fiscal Year Ending				Budget 2021
	2017	2018	2019	2020	
Revenue					
Sewer Services	2,396,668	3,794,074	4,138,734	4,366,779	4,528,100
Material and Labor Charges	854	845	330	-	-
Interest Earnings	43,731	96,489	225,145	281,772	75,000
Disposition of Capital Assets	-	6,121	2,723	-	-
Miscellaneous Revenue	5,000	20,000	19,710	-	-
Credit Card Fees	-	-	-	26,339	45,000
Customer Contributions-Hookups/Connections	418,018	378,597	525,130	333,237	375,000
East Plant Lift Station	795,435	9,935	5,153	5,701	10,000
Developer Cont.-Infrastructure	-	-	-	222,040	-
Subtotal Revenue	\$3,659,706	\$4,306,061	\$4,916,925	\$5,235,868	\$5,033,100
Expense					
Compensation and Benefits	738,862	760,776	796,109	1,142,668	1,097,225
Contract and Technical Services	106,309	66,690	54,060	57,527	265,250
Utilities	14,903	17,440	21,361	22,388	29,900
Electricity	161,106	190,880	161,872	167,262	200,000
Repairs and Maintenance	177,672	152,451	144,482	165,066	185,000
Interfund Cost Alloc. Build	100,599	111,026	113,611	267,029	217,984
Insurance	32,399	34,214	34,218	38,579	75,000
Communications and Training	39,086	30,933	34,770	33,611	41,000
General Office Supplies and Equipment	13,634	11,185	19,681	28,438	29,000
Credit Card Fees	-	-	-	44,574	50,000
Supplies/Tools	57,747	38,600	66,129	75,770	78,000
Permits and Licenses	995	16,033	9,840	9,705	15,000
Miscellaneous	4,572	8,110	50,814	13,129	15,100
Subtotal Expense	\$1,447,884	\$1,438,338	\$1,506,947	\$2,065,746	\$2,298,459
Interest Expense	\$197,269	\$196,834	\$206,476	\$284,319	\$157,594
Bond Issuance Cost	\$52,906	\$0	\$0	\$7,811	\$0
Net Revenue	\$1,961,647	\$2,670,889	\$3,203,502	\$2,877,992	\$2,577,047

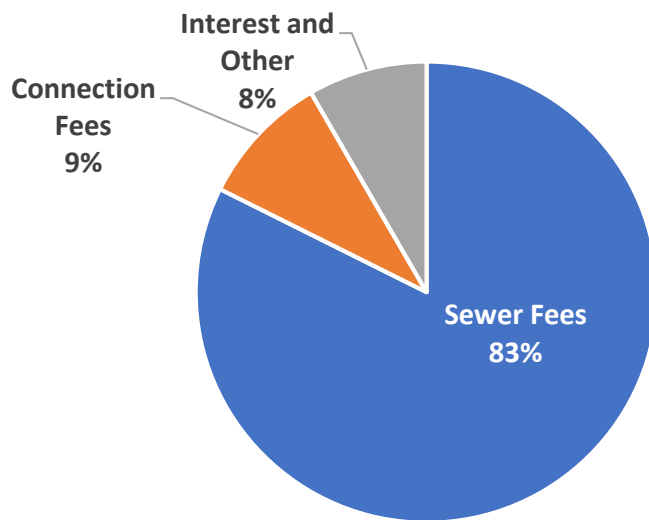
Source: City of Fernley.

rev exp

Revenues

The wastewater system is funded through monthly charges, connection fees, and investment earnings. Sewer fees comprise 83% of total revenues, as shown in **Figure 12**.

Figure 12
Wastewater Fund Revenue Sources



The existing wastewater rate schedule of monthly charges is shown in **Table 19** on the next page. Single family residential units pay a flat fee per month. Non-residential customers, which includes apartments, pay a flat fee per month according to the size of their water meter. In addition, non-residential customers pay a use charge per 1,000 gallons of water consumption.

Table 19
Current Wastewater Rates Schedule

Land Use	Current
Residential	
Flat Monthly Charge per Unit	\$39.25
Non-Residential	
Use Charge per 1,000 Gallons	\$2.73
Industrial Discharge per 1,000 Gallons	\$1.74
Flat Monthly Charge by Meter Size	
3/4"	\$66.04
1"	\$81.38
1.5"	\$130.90
2"	\$244.03
3"	\$630.78
4"	\$1,017.50
6"	\$1,627.02

Source: City of Fernley and HEC.

curr

Expenses

Monthly wastewater bills pay for operating costs, including personnel costs, debt service, and vehicles, equipment and infrastructure replacement and improvements. The largest component of cost included in the wastewater rates is system rehabilitation (depreciation) at 31%, followed by personnel (27%), and other operating costs. Budgeted fiscal year 2021 costs, which are the basis for projected expenses in the wastewater rate study, are illustrated in **Figure 13** on the following page.

Customer Base

There are 6,644 residential, and 355 non-residential wastewater customers (shown in **Table 20**) that generate about 508 million gallons of effluent per year that is treated at the wastewater treatment plant. The estimate of annual effluent generated by wastewater customers is shown in **Appendix Table B-3**. Residential single family accounts for 95% of the total wastewater connections, and 76% of effluent flow. **Figure 14** on page 34 shows the share of effluent generated by residential and non-residential customers.

Average daily wastewater flow has grown gradually as the number of wastewater customers has increased. Historical wastewater plant average daily influent flow is shown in **Appendix Table B-4**.

Figure 13
Budgeted Fiscal Year 2021 Wastewater Fund Expenses

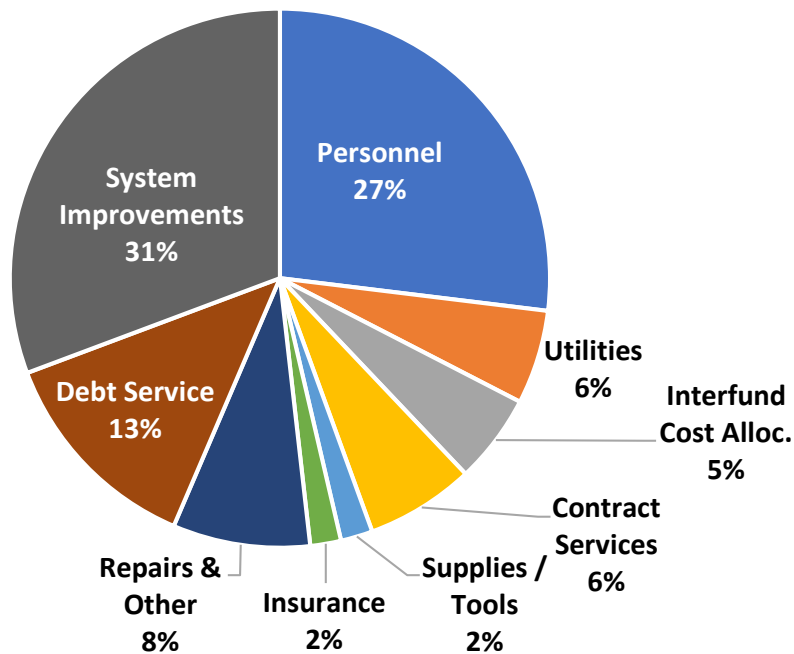


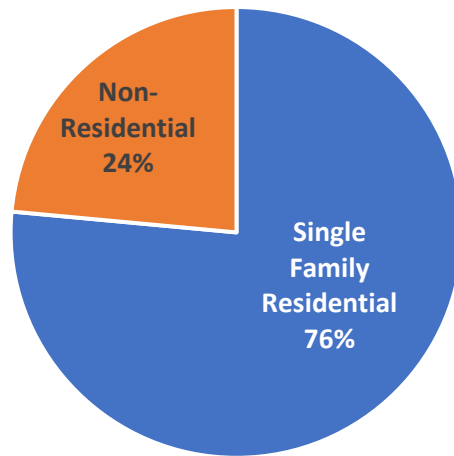
Table 20
Number of Sewer Connections

Customer Type	No. of Meters	Meter Ratios	Estimated Sewer Meter Equivalents
Single Family Residential	6,644		6,644
Non-Residential			
3/4"	113	1.00	113
1"	48	1.23	59
1.5"	74	1.98	147
2"	103	3.70	381
3"	4	9.55	38
4"	9	15.41	139
6"	4	24.64	99
Total Non-Residential	355		975
Total Estimated Meter Equivalents			7,619

Source: City of Fernley and HEC.

connects

Figure 14
Sewer Flow by Customer Category (2017-2019)



3.2 CAPITAL IMPROVEMENT PROJECTS

Over the next five years, total wastewater system capital improvement costs are estimated at \$28.53 million in inflated dollars. Cost estimates were provided in 2021 dollars; the rate study inflates the cost estimates by 3.5% each year which is close to the 10-year historical average increase in the Engineering News Record (ENR) Construction Cost Index (CCI)). **Table 21** summarizes the total estimated costs and anticipated funding sources. The City is applying \$8.00 million ARPA grant funding to the wastewater CIP.

Table 21
Funding Plan for Wastewater CIP Costs

Source of Funds	5-Year Est. Total	Fiscal Year Ending				
		2022	2023	2024	2025	2026
Use of Funds		<i>Inflated project costs</i>				
Collection	\$16,456,368	\$2,250,000	\$5,330,250	\$4,634,441	\$1,430,246	\$2,811,431
Treatment Plant	\$11,909,897	\$910,000	\$2,587,500	\$2,771,795	\$2,771,795	\$2,868,808
Fleet and Other	\$165,000	\$165,000	\$0	\$0	\$0	\$0
Total Estimated CIP Costs	\$28,531,265	\$3,325,000	\$7,917,750	\$7,406,235	\$4,202,041	\$5,680,239
ARPA Grant Funding	\$8,000,000	\$1,360,000	\$2,945,198	\$1,663,077	\$310,441	\$1,721,285
Capital Reserve (Rates Cash)	\$4,847,712	\$1,565,000	\$843,138	\$1,227,043	\$622,792	\$589,739
Capacity Reserve (Connection Fee Cash)	\$2,000,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Bond Proceeds [1]	\$13,683,552	\$0	\$3,729,414	\$4,116,115	\$2,868,808	\$2,969,216
Total Funding	\$28,531,265	\$3,325,000	\$7,917,750	\$7,406,235	\$4,202,041	\$5,680,239

Source: City of Fernley CIP and HEC 2021 rate study.

cip fund

[1] Bond Proceeds (75% of costs for projects >\$1 million estimated cost not funded by ARPA\$).

Appendix Tables B-5 and B-6 provide greater detail of the CIP items and costs, and show the projects that the ARPA grant funding has been applied to. The City may change which projects are funded with ARPA grant monies depending on timing of projects and how “shovel-ready” they are. For the rate study, projects that benefit current ratepayers have been selected for ARPA funding.

3.3 REVENUE REQUIREMENT

The revenue requirement is the amount to be raised by wastewater fees. Components of the revenue requirement include:

- Operating Expenses
- Capital Improvement and Debt Service
- System Rehabilitation

Non-wastewater sales revenue projections are credited against projected operations costs to calculate the revenue requirement. Non-wastewater sales include interest income, credit card fees, and connection fees.

Operations Expenses

Operating expenses are projected based on budgeted fiscal year 2021 expenditures. Operating expenses include annual costs for personnel (including benefits), professional and contract services, treatment plant operations and maintenance, collection system and other wastewater facilities operations and maintenance, utilities, facilities equipment and other costs, and tools, subscriptions, and supplies. Operating expenses are estimated at \$2.30 million fiscal year 2021. The rate study increases each of the operating cost categories over the next five years in anticipation of cost increases.

Appendix Table B-2 calculates the average annual increase in operating expenses by cost category since 2017. The average annual increase in operating expenses in the wastewater fund was almost 13% between 2017 and 2020. This increase includes the interfund cost allocation to the wastewater fund, which increased significantly between 2019 and 2020. For the projection of operating expenses in the wastewater fund, it is estimated that costs will increase, on average, 8% per year.

Capital Improvements and Debt Service

Anticipated capital improvement expenses over the next five years include major wastewater treatment plant upgrades, as well as replacement and installation of collection pipelines.

The wastewater fund has current debt service for previous infrastructure projects, shown in **Appendix Table B-7**. New debt service is assumed to be incurred for CIP projects that are anticipated to be constructed within the next five years and estimated to cost more than one million dollars. The list of projects estimated to cost more than one million dollars is provide in **Appendix Table B-8**. It is anticipated that the City will likely bond for 75% of these improvement costs in two bond sales. The bond sale assumptions and estimated annual debt service is provided in **Table 22** on the next page.

Table 22
Estimated Debt Service for New Wastewater Bonds

Item	Assumption	Sale A Spring 2023	Sale B Spring 2025	TOTAL
Bond Proceeds		\$7,845,529	\$5,838,023	\$13,683,552
Existing Customers	55%	\$4,281,297	\$3,185,803	\$7,467,101
Future Customers	45%	\$3,564,232	\$2,652,220	\$6,216,451
Bond Sizing				
Capitalized Interest	6 months	\$186,300	\$138,700	\$325,000
Issuance Costs	4%	\$313,820	\$233,520	\$547,340
Underwriter's Discount	1%	\$78,460	\$58,380	\$136,840
Bond Reserve Fund	1 year debt service	\$719,200	\$535,200	\$1,254,400
Estimated Bond Size		\$16,988,840	\$12,641,850	\$29,630,690
Bond Size Adjusted for Rounding	1.167 bond load	\$9,155,700	\$6,813,000	\$15,968,700
Estimated Annual Debt Service		\$719,200	\$535,200	\$1,254,400
Total Payments		\$14,384,000	\$10,704,000	\$25,088,000
Principal Repayment		\$7,845,529	\$5,838,023	\$13,683,552
Estimated Financing Charges		\$6,538,471	\$4,865,977	\$11,404,448
Existing Customers	55%	\$3,568,037	\$2,655,359	\$6,223,396
Future Customers	45%	\$2,970,434	\$2,210,618	\$5,181,052
Assumptions:				
Interest	4.75%			
Years	20			

Source: HEC March 2021.

new debt

System Rehabilitation

Depreciation is used as the basis on which to collect rates to cover system rehabilitation costs. Inclusion of system rehabilitation costs demonstrates fiscal responsibility toward the assets to potential future investors and helps to establish good credit. Depreciation is calculated based on the value of existing wastewater facilities and the estimated cost of new facilities anticipated to be built in the next five-year period (see **Appendix Table B-9**).

Table 23 shows the total annual amount included in the rates for system rehabilitation. The wastewater rates include 100% of depreciation; in many years not all of the money collected is spent; in these years the additional amount is kept in the reserves and spent in another year in which capital costs exceed collections for system rehabilitation.

In addition to major wastewater assets depreciated by the City, there are 226 E-1 residential grinders that must be maintained and replaced routinely every ten years. The annual E-1 residential

grinder replacement cost of \$87,000 is also included in the revenue requirement. The calculation of the grinders' replacement cost is shown in **Table 24**.

Table 23
System Rehabilitation Costs

Asset List	Fiscal Year Ending					
	2021	2022	2023	2024	2025	2026
Existing Assets [1]	\$1,164,101	\$1,199,024	\$1,234,994	\$1,272,044	\$1,310,206	\$1,349,512
CIP Assets Annual Depreciation		\$51,750	\$172,931	\$284,819	\$343,304	\$426,022
Total Annual Depreciation	\$1,164,101	\$1,250,774	\$1,407,926	\$1,556,864	\$1,653,510	\$1,775,533
Percentage included in Rates	100%	100%	100%	100%	100%	100%
System Rehabilitation in Rates	\$1,164,101	\$1,250,774	\$1,407,926	\$1,556,864	\$1,653,510	\$1,775,533

Source: City of Fernley and HEC.

assets

[1] Increased 3% per year.

Table 24
Estimated E-1 Grinder Replacement Costs

Item	
Number of Residential E-1 Grinders	226
Replacement Cost per Grinder	\$3,850
Replacement Interval (years)	10
Cost per Grinder per Year	\$385
Annual E-1 Grinder Replacement Cost	\$87,010

Source: City of Fernley and HEC.

e-one

The projected revenue requirement for wastewater is shown in **Table 25** on the next page. Over the next five years, the revenue requirement is projected to continue to increase to account for inflation, depreciation, and to account for new debt. The total revenue requirement is projected to increase from \$3.57 million in fiscal year 2021 to \$6.48 million in fiscal year 2026. The wastewater rates are based on raising sufficient revenue to fund the revenue requirement and cash outlay for the CIP with even 3.0% percentage increases over time. The amount to be raised each year by wastewater rates from existing customers is the "collection in rates" line underneath the revenue requirement line in **Table 25**. Revenue requirement and the amount to be collected in rates from existing customers are illustrated in **Figure 15** on page 39.

Table 25
Projected Revenue Requirement for Wastewater

		Fiscal Year Ending					
Revenues and Expenses		2021	2022	2023	2024	2025	2026
	Assumptions	budget	Year 1	Year 2	Year 3	Year 4	Year 5
Operating Expenses							
Compensation and Benefits **	10.0%	1,097,225	\$1,206,948	\$1,327,642	\$1,460,406	\$1,606,447	\$1,767,092
Contract and Technical Services	3.0%	265,250	\$273,208	\$281,404	\$289,846	\$298,541	\$307,497
Utilities	10.0%	29,900	\$32,890	\$36,179	\$39,797	\$43,777	\$48,154
Electricity	3.0%	200,000	\$206,000	\$212,180	\$218,545	\$225,102	\$231,855
Repairs and Maintenance	10.0%	185,000	\$203,500	\$223,850	\$246,235	\$270,859	\$297,944
Interfund Cost Alloc. Build ** [1]	10.0%	217,984	\$239,782	\$263,761	\$290,137	\$319,150	\$351,065
Insurance **	10.0%	75,000	\$82,500	\$90,750	\$99,825	\$109,808	\$120,788
Communications and Training	3.0%	41,000	\$42,230	\$43,497	\$44,802	\$46,146	\$47,530
General Office Supplies and Equipment	10.0%	29,000	\$31,900	\$35,090	\$38,599	\$42,459	\$46,705
Credit Card Fees	3.0%	50,000	\$51,500	\$53,045	\$54,636	\$56,275	\$57,964
Supplies/Tools	10.0%	78,000	\$85,800	\$94,380	\$103,818	\$114,200	\$125,620
Permits and Licenses **	3.0%	15,000	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389
Miscellaneous	3.0%	15,100	\$15,553	\$16,020	\$16,500	\$16,995	\$17,505
Total Operating Expenses		\$2,298,459	\$2,471,707	\$2,677,691	\$2,903,037	\$3,149,646	\$3,419,604
Debt Service							
Wastewater Bonds		\$523,322	\$505,072	\$506,832	\$532,998	\$534,011	\$535,991
New Debt		\$0	\$0	\$0	\$719,200	\$719,200	\$1,254,400
Total Debt Service **		\$523,322	\$505,072	\$506,832	\$1,252,198	\$1,253,211	\$1,790,391
System Rehabilitation **		\$1,164,101	\$1,250,774	\$1,407,926	\$1,556,864	\$1,653,510	\$1,775,533
E-1 Residential Grinder Replacement	3.0%	\$87,010	\$89,620	\$92,309	\$95,078	\$97,931	\$100,868
Operating Reserves		\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL Annual Cost		\$4,072,891	\$4,332,726	\$4,700,777	\$5,823,677	\$6,171,292	\$7,103,901
Credits							
Interest Earnings	constant	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Credit Card Fees	3.0%	\$45,000	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167
East Plant Lift Station	cease	\$10,000	\$0	\$0	\$0	\$0	\$0
Connection Fees [2]	2.0%	\$375,000	\$460,695	\$469,909	\$479,307	\$488,894	\$498,671
Total Credits		\$505,000	\$582,045	\$592,650	\$603,480	\$614,541	\$625,839
REVENUE REQUIREMENT		\$3,567,891	\$3,750,681	\$4,108,127	\$5,220,197	\$5,556,751	\$6,478,063
COLLECTION IN RATES [3]		\$4,528,100	\$4,596,022	\$4,699,941	\$4,823,959	\$4,960,188	\$5,104,748
Percent Change in Revenue Requirement			3.0%	3.0%	3.0%	3.0%	3.0%

Source: HEC.

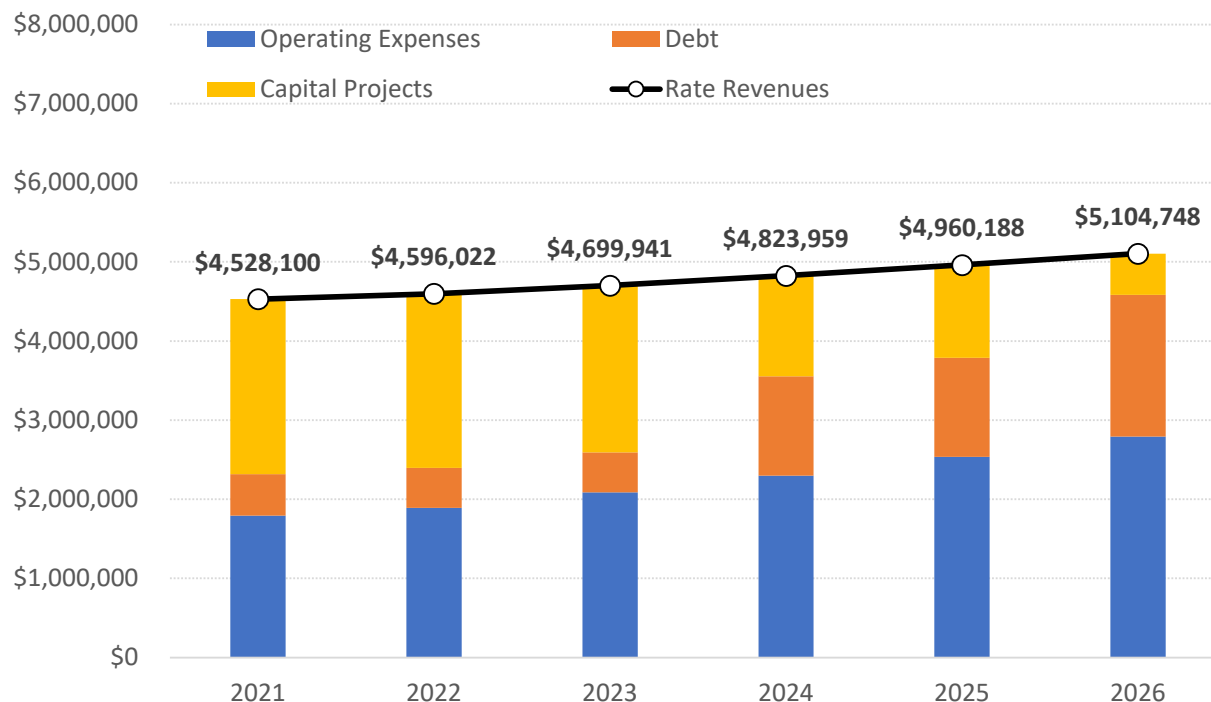
rev req

[1] Includes the City Hall installment purchase which will be paid off by Fiscal Year 2026 at the latest.

[2] Increased by the increase in the calculated new connection fee in year 1 and by 2% each year thereafter for automatic inflation increases anticipated in the updated water connection fee resolution.

[3] Each fiscal year calculated six months under the existing rates, and six months under the new rates. New rates become effective January 1 each year.

Figure 15
Components of Revenue Requirement



3.4 WASTEWATER RATE CALCULATIONS

Because this study does not examine cost of service and rate design, the wastewater rates are increased annually to pay for the revenue requirement plus capital improvements cash outlay. The wastewater rate increases are balanced with the cash flow needs of the wastewater fund and anticipated revenues from new growth. The wastewater rates need to increase 3.0% each year to meet the financial needs of the wastewater fund. **Table 26** on the next page shows the calculated wastewater rates.

Table 26
Calculated Wastewater Rates

Customer Type	Current <i>New Rates Effective</i>	Fiscal Year Ending				
		2022 1/1/2022	2023 1/1/2023	2024 1/1/2024	2025 1/1/2025	2026 1/1/2026
	Percentage Increase	3.0%	3.0%	3.0%	3.0%	3.0%
Residential						
Flat Monthly Charge per Unit	\$39.25	\$40.43	\$41.64	\$42.89	\$44.18	\$45.50
Non-Residential						
Use Charge per 1,000 Gallons	\$2.73	\$2.81	\$2.89	\$2.98	\$3.07	\$3.16
Flat Monthly Charge by Meter Size						
3/4"	\$66.04	\$68.02	\$70.06	\$72.16	\$74.33	\$76.56
1"	\$81.38	\$83.82	\$86.34	\$88.93	\$91.59	\$94.34
1.5"	\$130.90	\$134.83	\$138.87	\$143.04	\$147.33	\$151.75
2"	\$244.03	\$251.35	\$258.89	\$266.66	\$274.66	\$282.90
3"	\$630.78	\$649.70	\$669.19	\$689.27	\$709.95	\$731.25
4"	\$1,017.50	\$1,048.03	\$1,079.47	\$1,111.85	\$1,145.21	\$1,179.56
6"	\$1,627.02	\$1,675.83	\$1,726.11	\$1,777.89	\$1,831.23	\$1,886.16

Source: City of Fernley and HEC.

summ

In addition to the wastewater sales revenue generated by existing customers from increasing the rates 3.0% per year, the addition of new customers will increase water rate revenues. Growth of 100 residential units and 10 businesses (equivalent meter units, which are ¾-inch meters) is included in the wastewater financial model. **Table 27** shows the estimated additional new revenues from growth occurring over the next five years.

Table 27
Estimated New Wastewater Rate Revenue from Growth

Customer Type		2022	2023	2024	2025	2026
	<i>New Rates Effective</i>	<i>1/1/2022</i>	<i>1/1/2023</i>	<i>1/1/2024</i>	<i>1/1/2025</i>	<i>1/1/2026</i>
Residential						
Number of New Units		100	100	100	100	100
Monthly Fee per Unit	\$39.25	\$40.43	\$41.64	\$42.89	\$44.18	\$45.50
New Residential Revenue		\$47,809	\$49,243	\$50,720	\$52,242	\$53,809
Non-Residential						
New Equivalent Meter Units		10	10	10	10	10
Monthly Fee per Equivalent Unit	\$66.04	\$68.02	\$70.06	\$72.16	\$74.33	\$76.56
New Non-Residential Base Revenue		\$8,044	\$8,285	\$8,534	\$8,790	\$9,053
New Non-Residential Water Use		3,362	3,362	3,362	3,362	3,362
Non-Residential Use Charges per 1,000 galls	\$2.73	\$2.81	\$2.89	\$2.98	\$3.07	\$3.16
New Non-Residential Use Charges		\$9,303	\$9,583	\$9,870	\$10,166	\$10,471
Total New Non-Residential Revenue		\$17,347	\$17,868	\$18,404	\$18,956	\$19,524
Total Annual New Customer Revenue		\$65,156	\$67,110	\$69,124	\$71,197	\$73,333
Estimated Cumulative Revenue from Growth		\$65,156	\$132,266	\$201,390	\$272,587	\$345,921

Source: City of Fernley and HEC.

grow rev

3.5 CASH FLOW AND RESERVE FUND BALANCES

Table 28 shows the projected cash flow for the wastewater enterprise fund through fiscal year 2026. With adoption of the calculated increased rates, it is anticipated that the City will be able to meet all wastewater enterprise fund obligations, including existing and potential debt service coverage requirements. **Table 29** shows the projected reserve fund balances by year per Resolution 2019-008.

The projected wastewater fund ending cash balances by reserve fund are shown in **Figure 16**. The estimated cash balances should be considered preliminary estimates. The City may choose to bond for different projects than included in this rate study, and could choose to pay for more CIP costs with available cash on hand. The City should review available cash and projected cash balances before each bond sale to determine the best financing strategy at that time.

Table 28
Projected Cash Flow for the Wastewater Fund

Revenues and Expenses	Fiscal Year					
	2021 Est. Year End	2022	2023	2024	2025	2026
Operating Revenues	<i>New Rates Effective</i>	<i>1/1/2022</i>	<i>1/1/2023</i>	<i>1/1/2024</i>	<i>1/1/2025</i>	<i>1/1/2026</i>
Existing Customer Wastewater Fees	\$4,528,100	\$4,596,022	\$4,699,941	\$4,823,959	\$4,960,188	\$5,104,748
New Customer Wastewater Fees		\$65,156	\$132,266	\$201,390	\$272,587	\$345,921
Interest Earnings	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Credit Card Fees	\$45,000	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167
East Plant Lift Station	\$10,000	\$0	\$0	\$0	\$0	\$0
Connection Fees [2]	\$375,000	\$460,695	\$469,909	\$479,307	\$488,894	\$498,671
Total Operating Revenues	\$5,033,100	\$5,243,222	\$5,424,857	\$5,628,829	\$5,847,316	\$6,076,508
Operating Expenses	\$2,298,459	\$2,471,707	\$2,677,691	\$2,903,037	\$3,149,646	\$3,419,604
Operating Revenue before Capital Improvements and Debt Service	\$2,734,641	\$2,771,515	\$2,747,166	\$2,725,792	\$2,697,671	\$2,656,904
Debt Service	\$523,322	\$505,072	\$506,832	\$1,252,198	\$1,253,211	\$1,790,391
<i>Debt Service Coverage [1]</i>	5.23	5.49	5.42	2.18	2.15	1.48
Net Revenues (Deficit)	\$2,211,319	\$2,266,443	\$2,240,334	\$1,473,594	\$1,444,460	\$866,513
Beginning Cash Balance [2]	\$14,970,190	\$15,025,509	\$15,326,953	\$20,440,264	\$16,170,699	\$19,561,583
Net Revenues (Deficit)	\$2,211,319	\$2,266,443	\$2,240,334	\$1,473,594	\$1,444,460	\$866,513
ARPA Grants	\$0	\$1,360,000	\$2,945,198	\$1,663,077	\$310,441	\$1,721,285
Bond Proceeds	\$0	\$0	\$7,845,529	\$0	\$5,838,023	\$0
CIP Projects [3]	(\$2,156,000)	(\$3,325,000)	(\$7,917,750)	(\$7,406,235)	(\$4,202,041)	(\$5,680,239)
Cash Balance	\$15,025,509	\$15,326,953	\$20,440,264	\$16,170,699	\$19,561,583	\$16,469,142

Source: HEC.

flow

[1] Debt service coverage should not fall below 1.25.

[2] Cash balance as of July 1, 2020.

[3] CIP project costs for fiscal year 2021 presented in the Budget Book. Future year projected CIP costs in Table 22.

Figure 16
Projected Wastewater Cash Balances by Reserve Fund

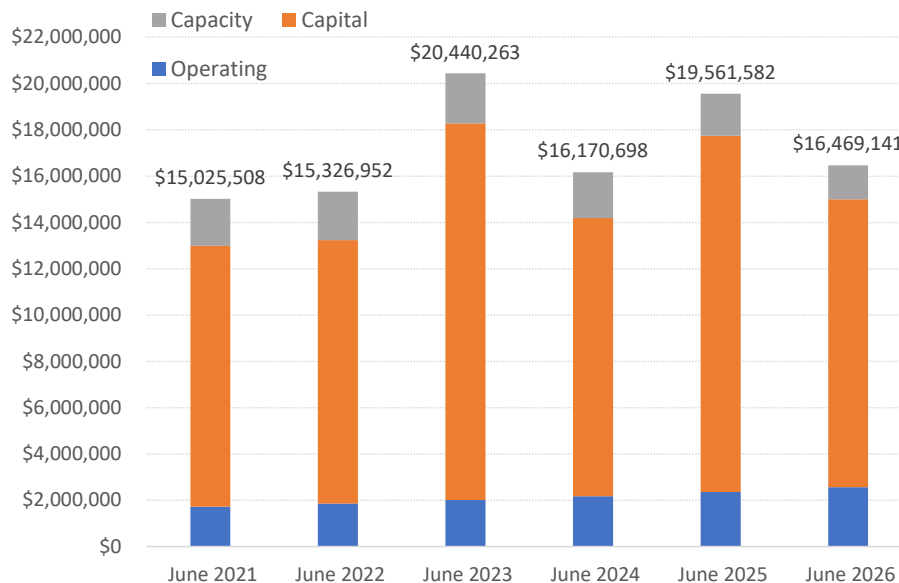


Table 29
Projected Reserve Funds Cash Balances

Projected Cash Balances by Fund	2021	2022	2023	2024	2025	2026
Operating Reserve						
Beginning Balance	\$2,667,040	\$1,723,844	\$1,853,781	\$2,008,268	\$2,177,278	\$2,362,234
Net Revenues	\$1,836,319	\$1,805,748	\$1,770,425	\$994,287	\$955,566	\$367,842
Transfer In from Capacity Fund [1]	\$0	\$0	\$0	\$257,379	\$257,379	\$448,910
Subtotal	\$4,503,359	\$3,529,592	\$3,624,206	\$3,259,934	\$3,390,223	\$3,178,986
<i>Target: 9 Months O&M Expenses</i>	<i>\$1,723,844</i>	<i>\$1,853,781</i>	<i>\$2,008,268</i>	<i>\$2,177,278</i>	<i>\$2,362,234</i>	<i>\$2,564,703</i>
Transfer Out to Capital Fund	(\$2,779,515)	(\$1,675,812)	(\$1,615,937)	(\$1,082,656)	(\$1,027,989)	(\$614,283)
Ending Operating	\$1,723,844	\$1,853,781	\$2,008,268	\$2,177,278	\$2,362,234	\$2,564,703
Capital Reserve						
Beginning Balance	\$10,648,168	\$11,271,683	\$11,382,495	\$16,271,409	\$12,010,907	\$15,385,319
Transfer In from Operating Fund	\$2,779,515	\$1,675,812	\$1,615,937	\$1,082,656	\$1,027,989	\$614,283
ARP Grant Funding		\$1,360,000	\$2,945,198	\$1,663,077	\$310,441	\$1,721,285
Bond Proceeds	\$0	\$0	\$7,845,529	\$0	\$5,838,023	\$0
CIP Projects Costs	(\$2,156,000)	(\$3,325,000)	(\$7,917,750)	(\$7,406,235)	(\$4,202,041)	(\$5,680,239)
Subtotal	\$11,271,683	\$10,982,495	\$15,871,409	\$11,610,907	\$14,985,319	\$12,040,648
Transfer In from Capacity Fund	\$0	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Ending Capital Fund Balance	\$11,271,683	\$11,382,495	\$16,271,409	\$12,010,907	\$15,385,319	\$12,440,648
<i>Target: 75% Accumulated Depr. [2]</i>	<i>\$13,309,104</i>	<i>\$13,309,104</i>	<i>\$13,309,104</i>	<i>\$13,309,104</i>	<i>\$13,309,104</i>	<i>\$13,309,104</i>
Capacity (Connection Fees) Reserve						
Beginning Balance	\$1,654,981	\$2,029,981	\$2,090,676	\$2,160,585	\$1,982,514	\$1,814,028
Connection Fees	\$375,000	\$460,695	\$469,909	\$479,307	\$488,894	\$498,671
Transfer Out to Operating Fund [1]	\$0	\$0	\$0	(\$257,379)	(\$257,379)	(\$448,910)
Transfer Out to Capital Fund	\$0	(\$400,000)	(\$400,000)	(\$400,000)	(\$400,000)	(\$400,000)
Ending Capacity Fund Balance	\$2,029,981	\$2,090,676	\$2,160,585	\$1,982,514	\$1,814,028	\$1,463,790
TOTAL Cash Balance	\$15,025,509	\$15,326,953	\$20,440,264	\$16,170,699	\$19,561,583	\$16,469,142

Source: City financial documents and 2021 HEC Rate Study.

all bal

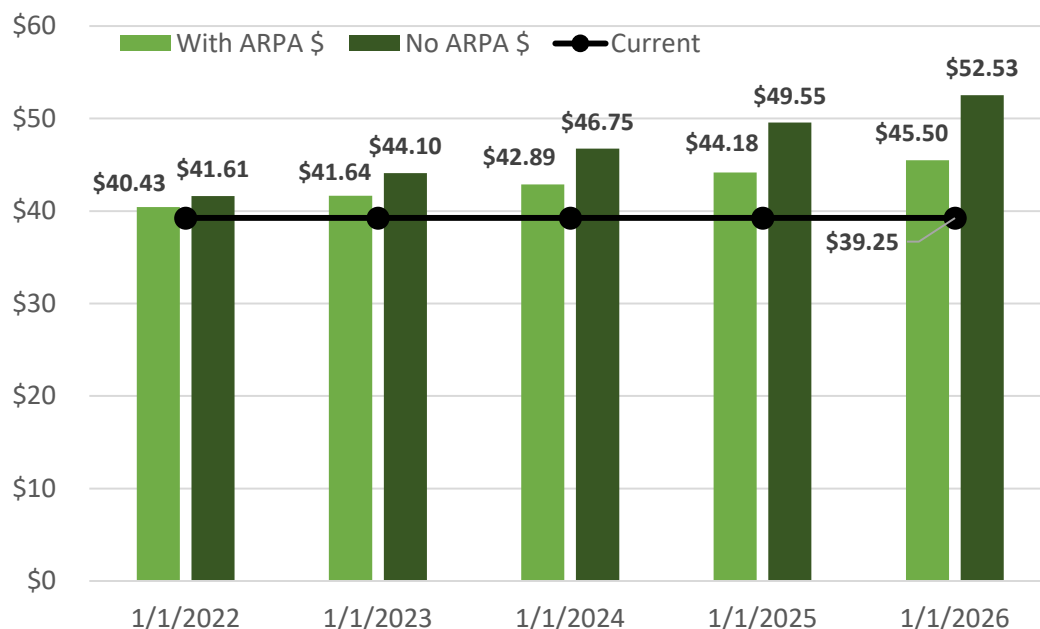
[1] Transfer is to pay for new growth's share of debt service.

[2] Accumulated depreciation will change each year. Amount shown is for Fiscal Year 2020.

3.6 BILL IMPACT

Figure 17 illustrates the impact of the new rate schedule on a single family home. The monthly bill increases 3.0% each January 1 for the next five years. The figure also shows what the monthly bill was calculated at without application of ARPA grant funding.

Figure 17
Projected Single Family Home Wastewater Bill



3.7 WASTEWATER CONNECTION FEES

New development must also pay a connection fee when applying for wastewater service. The connection fee pays for wastewater infrastructure capacity to serve the new customer. Included in the connection fee is cost to buy-in to existing infrastructure, as well as estimated cost to build new infrastructure. The buy-in fee is new development's share of existing asset value minus outstanding principal on facilities that were debt financed. The projected 20-year growth in wastewater connections is shown in **Appendix Table B-10**. It is estimated that by 2040 there will be 12,625 sewer connections. The buy-in facilities cost is divided by the total number of sewer connections in 2040 to determine the buy-in fee.

The new facilities fee is calculated by first allocating the 2021 wastewater CIP cost estimates between existing and future customers, as provided in **Appendix Table B-11**. Estimated financing charges for the future customers' share of costs is added to the fee calculation because a portion of the new debt service will be paid for by the capacity reserve fund with connection fees. The net new facilities costs are divided by the number of anticipated new sewer connections over the next twenty years.

The connection fee calculation is shown in **Table 30** on the next page. The fee is calculated on a per EDU basis. Single family and multi-family units pay the same fee. Commercial pays the EDU fee per 1,000 gallons of daily flow, as calculated by City staff. The connection fee is based on current estimated costs of the wastewater CIP (not the inflated costs) so it is advisable to include an

automatic inflation index in the adopting fee resolution that is applied to the fee each year to keep up with current construction costs.

The calculated updated fee would increase the wastewater connection fee from \$3,474 to \$4,268 per EDU in January 2022.

Table 30
Wastewater Connection Fee Calculation

Item		Updated Fee Calculation
Buy-In Fee		<i>Jan-22</i>
Net Book Value		\$27,022,240
less Outstanding Principal		\$5,965,243
Buy-In Cost of Existing Facilities		\$21,056,997
Projected EDUs in 2040	Table B-10	12,625
Buy-in Fee per EDU	a	\$1,668
New Facilities Fee		
New Facilities (Growth Share)	Table B-11	\$9,445,937
Financing Charges for New Facilities [1]	Table 23	\$5,181,052
Total Costs		\$14,626,989
Future new EDUs [2]	Table B-10	5,626
New Facilities Fee per EDU	b	\$2,600
Total Connection Fee per Residential Unit or per 1,000 Galls/Day (Commercial) [3]		
	c = a +b	\$4,268
Current Fee		\$3,474
Percentage Increase in Connection Fee		23%

Source: HEC.

conn cost

[1] New growth's share of facilities financing charges.

[2] Anticipated through build-out of tentative maps.

[3] Recommended annual adjustment every January 1 per the ENR CCI change over the past 12 months (October to October).

APPENDIX A

WATER FEES

SUPPORT TABLES

Table A-1
City of Fernley Water Rates Update
Historical Financial Performance

FINAL

Revenues and Expenses	Fiscal Year Ending									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operating Revenues										
Service Fees	\$4,580,081	\$6,325,663	\$4,925,752	\$4,940,786	\$4,822,461	\$4,776,323	\$6,102,777	\$7,966,736	\$8,704,146	\$9,344,900
Other Revenues	\$4,893	\$97,966	\$0	\$198,689	\$207,929	\$209,528	\$252,200	\$275,137	\$301,455	\$23,844
Total Operating Revenues	\$4,584,974	\$6,423,629	\$4,925,752	\$5,139,475	\$5,030,390	\$4,985,851	\$6,354,977	\$8,241,873	\$9,005,601	\$9,368,744
Operating Expenses										
Salaries	\$850,082	\$858,238	\$803,456	\$859,999	\$936,082	\$998,699	\$984,196	\$1,002,608	\$1,032,980	\$1,460,283
Benefits	\$355,206	\$373,844	\$311,139	\$368,850	\$390,932	\$403,814	\$443,525	\$534,565	\$404,465	\$1,180,831
Supplies, Services and Other	\$1,526,874	\$1,596,547	\$1,703,871	\$1,763,567	\$1,921,545	\$1,643,409	\$1,912,910	\$1,643,846	\$1,950,801	\$2,025,246
Depreciation	\$3,207,491	\$3,246,418	\$3,230,816	\$3,192,486	\$3,167,944	\$3,174,278	\$3,193,541	\$3,248,365	\$3,234,139	\$3,282,168
Total Operating Expenses	\$5,939,653	\$6,075,047	\$6,049,282	\$6,184,902	\$6,416,503	\$6,220,200	\$6,534,172	\$6,429,384	\$6,622,385	\$7,948,528
Operating Income (Loss)	(\$1,354,679)	\$348,582	(\$1,123,530)	(\$1,045,427)	(\$1,386,113)	(\$1,234,349)	(\$179,195)	\$1,812,489	\$2,383,216	\$1,420,216
Nonoperating Revenues (Expenses)										
Water Bond Debt Fee Revenue	\$0	\$0	\$3,345,781	\$3,323,649	\$3,378,183	\$3,384,561	\$3,029,839	\$4,470,669	\$4,406,940	\$4,432,186
Interest Income	\$29,619	\$6,631	\$12,910	\$12,631	\$8,541	\$30,960	\$44,051	\$109,497	\$379,028	\$467,361
Other Income	\$154,729	\$233,285	\$341,799	\$35,076	\$205,291	\$202,098	\$124,616	\$1,135,871	\$130,428	\$272,479
Gain (Loss) on Disposals of Capital Assets	\$0	\$0	\$0	\$1,764	\$0	\$11,637	\$0	\$924	\$2,723	\$0
Interest Expense	(\$3,331,698)	(\$3,242,454)	(\$3,231,326)	(\$3,138,372)	(\$2,903,107)	(\$2,802,583)	(\$2,753,505)	(\$2,334,780)	(\$2,237,790)	(\$2,826,612)
Income (Loss) Before Contributions	(\$4,502,029)	(\$2,653,956)	(\$654,366)	(\$810,679)	(\$697,205)	(\$407,676)	\$265,806	\$5,194,670	\$5,064,545	\$3,765,630
Connection Fee Revenue	\$40,157	\$5,297	\$6,995	\$59,052	\$446,296	\$228,457	\$555,821	\$550,537	\$739,013	\$458,239
Capital Contributions	\$1,776,893	\$2,160	\$22,575	\$363,126	\$1,544,753	\$1,409,193	\$50,447	\$479,674	\$34,851	\$433,777
Grant Income	\$0	\$0	\$0	\$0	\$0	\$141,494	\$56,657	\$0	\$0	\$0
Change in Net Position	(\$2,684,979)	(\$2,646,499)	(\$624,796)	(\$388,501)	\$1,293,844	\$1,371,468	\$928,731	\$6,224,881	\$5,838,409	\$4,657,646
Total Net Position Beginning of Year	\$75,794,535	\$73,805,706	\$71,159,207	\$70,534,411	\$69,998,868	\$69,797,211	\$71,168,679	\$72,097,410	\$78,275,017	\$84,113,426
Restatement Adjustment	\$696,150	\$0	\$0	(\$147,042)	(\$1,495,501)	\$0	\$0	(\$47,274)	\$0	\$0
Total Net Position End of Year	\$73,805,706	\$71,159,207	\$70,534,411	\$69,998,868	\$69,797,211	\$71,168,679	\$72,097,410	\$78,275,017	\$84,113,426	\$88,771,072

Source: City of Fernley Audited Financial Statements.

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Table A-2
City of Fernley Water Rates Update

Operating Expenses Cost Escalation Factors

FINAL

Expenses	Fiscal Year Ending				Total Change	Annual Avg. % Change
	2017	2018	2019	2020		
Compensation and Benefits	\$1,427,725	\$1,537,174	\$1,437,445	\$2,641,115	\$1,213,390	22.8%
Contract and Technical Services	\$500,260	\$280,885	\$262,805	\$211,342	-\$288,918	-25.0%
Other Power (gas, diesel, propane)	\$40,617	\$50,205	\$46,695	\$51,357	\$10,740	8.1%
Electricity	\$411,000	\$438,888	\$459,542	\$440,060	\$29,060	2.3%
Water Rights Protection	\$202,562	\$179,235	\$275,020	\$291,027	\$88,465	12.8%
Repairs and Maintenance	\$260,820	\$206,109	\$266,521	\$206,863	-\$53,957	-7.4%
Interfund Cost Alloc. Build	\$141,075	\$159,683	\$159,122	\$291,054	\$149,979	27.3%
Insurance	\$117,661	\$124,132	\$124,265	\$140,102	\$22,441	6.0%
Communications and Training	\$41,086	\$40,756	\$38,767	\$44,661	\$3,575	2.8%
General Office Supplies and Equip.	\$4,263	\$6,574	\$50,839	\$106,753	\$102,490	192.6%
Supplies/Tools	\$180,888	\$141,282	\$255,366	\$230,727	\$49,839	8.4%
Permits and Licenses	\$12,676	\$16,095	\$11,860	\$11,300	-\$1,376	-3.8%
Total Expenses	\$3,340,633	\$3,181,018	\$3,388,247	\$4,666,361	\$1,325,728	11.8%
	<i>June 2017</i>	<i>June 2018</i>	<i>June 2019</i>	<i>June 2020</i>		
ENR Construction Cost Index [1]	10,703	11,069	11,268	11,436	733	2.2%
West Region Consumer Price Index	254	264	271	274	20	2.5%

Source: Engineering News Record, Bureau of Labor Statistics, and City of Fernley.

indices

[1] The ENR CCI 20-year annual average increase is: June ENR CCI

2000	6,238	Change	Annual Avg. % Change
2020	11,436	5,198	3.08%

Table A-3

City of Fernley Water Rates Update

Historical Population and Housing Estimates

FINAL

Year	Population		Housing Units [1]	
	Fernley Population	Annual % Change	Occupied Units	Persons per Occupied Unit
2000	9,570			
2001	9,529	-0.4%		
2002	10,440	9.6%		
2003	11,718	12.2%		
2004	13,775	17.6%		
2005	16,357	18.7%		
2006	18,850	15.2%		
2007	19,585	3.9%		
2008	19,609	0.1%		
2009	18,929	-3.5%		
2010	18,434	-2.6%	7,710	2.39
2011	18,896	2.5%	7,916	2.39
2012	18,831	-0.3%	7,910	2.38
2013	18,987	0.8%	7,839	2.42
2014	19,077	0.5%	7,838	2.43
2015	18,936	-0.7%	7,795	2.43
2016	19,042	0.6%	7,694	2.47
2017	19,300	1.4%	7,999	2.41
2018	19,790	2.5%	7,838	2.52
2019	20,396	3.1%	8,021	2.54
2020	20,901	2.5%		
Total Change	10,826		311	avg.
Avg. Annual Change	570	4.06%	35	2.44

Source: Nevada Department of Taxation, US Census Bureau.

pop

[1] 2019 5-year American Community Survey.

Table A-4
City of Fernley Water Rates Update
Historical Water Production

FINAL

Month	Calendar Year										Total	
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		
January	52,024,000	50,141,000	50,898,000	56,249,000	57,617,000	55,435,000	57,333,000	56,643,000	62,138,000	67,575,000	566,053,000	4%
February	44,650,000	43,769,000	45,866,000	48,789,000	51,325,000	51,322,000	52,789,000	49,665,000	57,159,000	60,435,000	505,769,000	4%
March	56,146,000	49,097,000	58,854,000	68,420,000	69,044,000	73,671,000	60,650,000	61,076,000	63,368,000	67,320,000	627,646,000	5%
April	86,651,000	81,730,000	107,217,000	109,417,000	116,576,000	110,821,000	94,877,000	83,515,000	93,227,000	96,974,000	981,005,000	8%
May	119,382,000	124,811,000	152,021,000	142,556,000	141,647,000	120,462,000	125,097,000	134,013,000	127,575,000	132,444,000	1,320,008,000	10%
June	156,616,000	140,875,000	161,149,000	163,828,000	163,917,000	143,755,000	161,958,000	152,434,000	157,424,000	149,819,000	1,551,775,000	12%
July	200,449,000	178,310,000	183,033,000	182,585,000	182,216,000	154,068,000	184,053,000	170,711,000	183,472,000	172,906,000	1,791,803,000	14%
August	191,375,000	181,734,000	184,153,000	176,899,000	167,958,000	154,053,000	181,798,000	164,723,000	182,412,000	171,864,000	1,756,969,000	14%
September	154,672,000	150,385,000	155,865,000	147,591,000	146,036,000	139,132,000	149,717,000	136,122,000	163,774,000	143,239,000	1,486,533,000	12%
October	86,711,000	101,695,000	112,479,000	101,863,000	112,605,000	100,567,000	103,796,000	100,594,000	112,527,000	95,628,000	1,028,465,000	8%
November	51,744,000	47,872,000	53,929,000	57,000,000	59,440,000	55,962,000	61,350,000	61,096,000	70,129,000	70,737,000	589,259,000	5%
December	49,022,000	51,545,000	50,880,000	57,105,000	53,250,000	54,531,000	56,461,000	60,049,000	67,221,000	67,703,000	567,767,000	4%
Annual	1,249,442,000	1,201,964,000	1,316,344,000	1,312,302,000	1,321,631,000	1,213,779,000	1,289,879,000	1,230,641,000	1,340,426,000	1,296,644,000	12,773,052,000	100%
Base Monthly Production	60,992,571	60,835,571	68,589,000	71,263,286	74,265,286	71,758,429	69,608,000	67,519,714	75,109,857	75,196,000	<i>average since 2015</i>	
Base Annual Production	731,910,857	730,026,857	823,068,000	855,159,429	891,183,429	861,101,143	835,296,000	810,236,571	901,318,286	902,352,000	862,060,800	
Additional Flow	517,531,143	471,937,143	493,276,000	457,142,571	430,447,571	352,677,857	454,583,000	420,404,429	439,107,714	394,292,000	412,213,000	
% Prodn. for Peaking	41%	39%	37%	35%	33%	29%	35%	34%	33%	30%	32%	
Peak to Avg. Month Ratio	1.93	1.81	1.68	1.67	1.65	1.52	1.71	1.66	1.64	1.60	1.63	
Peak Month	Jul	Aug	Aug	Jul	Jul	Jul	Jul	Jul	Jul	Jul		

Source: City of Fernley, HEC, and the Draft 2020 Water Master Plan.

water hist

Table A-5
City of Fernley Water Rates Update
Five-year Water Capital Improvements Plan

FINAL

Improvement Type	5-Year Est. Total	Fiscal Year Ending				
		2022	2023	2024	2025	2026
Treatment Plant		All figures in 2021 Dollars				
EWWTTP Fire Line and Potable Water Main Construction	\$880,000	\$880,000				
Surface Water Conveyance and Treatment Integration Final Design and Constructior	\$9,000,000	\$5,000,000	\$4,000,000			
Replace Eight (8) Turbidity Meters at Water Treatment Facility	\$130,000	\$90,000	\$40,000			
WTP Filter Replacement	\$2,160,000		\$540,000	\$540,000	\$540,000	\$540,000
Subtotal Treatment Plant	\$12,170,000	\$5,970,000	\$4,580,000	\$540,000	\$540,000	\$540,000
Source Development & Wells						
Highway 50 Lift Station Alternate Water Source Construction	\$350,000			\$350,000		
Water Resource Investigation Brady Hot Springs	\$25,000	\$25,000				
Exploratory Borings (3) Brady's Hot Springs	\$450,000		\$450,000			
Test/Production Well Bradys Hot Springs	\$550,000			\$550,000		
Infrastructure Improvements Bradys Hot Spring	\$6,000,000				\$3,000,000	\$3,000,000
Well Bypass Projects	\$120,000		\$120,000			
WMP- Project 4 well improvements	\$250,000		\$250,000			
Armstrong Well Tie-in	\$250,000		\$250,000			
WMP- Project 5 A & B well 9/9A	\$1,400,000			\$1,400,000		
Subtotal Source Development & Wells	\$9,395,000	\$25,000	\$1,070,000	\$2,300,000	\$3,000,000	\$3,000,000
Storage						
Ricci Tank Interior and Exterior Recoat and Site Improvement Project	\$500,000	\$500,000				
Sage Ranch Tank Rehab/Reconstruct Project	\$450,000					\$450,000
WMP- Project 12 SE Tank & Trans Main	\$4,400,000					\$4,400,000
Sage Tank Rehab/Reconstruct Project	\$500,000			\$500,000		
Subtotal Storage	\$5,850,000	\$500,000	\$0	\$500,000	\$0	\$4,850,000
Transmission						
Fremont ST Rehab/Reconstruct	\$350,000		\$50,000	\$300,000		
Villa Park Water Main Replacement - Villa Way and Parkland Design and Constructic	\$500,000	\$500,000				
6th ST, 7th ST & G ST Rehab/Reconstruct Engineering Design and Construction	\$350,000		\$350,000			
Water Distribution System Improvement Project/Water Main Rehab./Construction	\$500,000		\$500,000			
Cottonwood LN Waterline Replacement and Extension Construction	\$550,000	\$550,000				
Shadow LN Rehab/Reconstruct Construction	\$300,000	\$300,000				
Highway 50 Lift Water Main Extension Design	\$150,000		\$150,000			
Truckee LN Rehab/Reconstruct Engineering Design	\$50,000			\$50,000		
Truckee LN Rehab/Reconstruct Construction	\$800,000				\$300,000	\$500,000
WMP- Project 7 US-95A Booster Pump Station	\$800,000				\$800,000	
WMP- Project 8 HWY 50 Looping Main	\$3,000,000				\$3,000,000	
WMP- Project 9 Logan Lane to Vine St Looping	\$700,000					\$700,000
WMP- Project 10 Mull Lane High Pressure Trans Main	\$2,200,000					\$2,200,000
WMP- Project 11 Desert Shadows Trans Main and PRV	\$5,300,000					\$5,300,000
WMP- Project 13 US-95A Booster Pump and Trans Main	\$2,900,000					\$2,900,000
Subtotal Transmission	\$18,450,000	\$1,350,000	\$1,050,000	\$350,000	\$4,100,000	\$11,600,000
Meters, Services & Fleet						
WD Fleet Truck with Utility box*GL 510-165-100	\$47,000	\$47,000				
3 Yard Dump Truck *GL 510-165-100	\$80,000	\$80,000				
Fire Hydrant Replacement *GL 510-810-430	\$62,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500
Water Meter Improvements Citywide	\$1,250,000	\$250,000	\$250,000	\$500,000	\$125,000	\$125,000
Subtotal Meters, Services & Fleet	\$1,439,500	\$389,500	\$262,500	\$512,500	\$137,500	\$137,500
TOTAL	\$47,304,500	\$8,234,500	\$6,962,500	\$4,202,500	\$7,777,500	\$20,127,500

Source: City of Fernley public works February 2021.

cip

Table A-6
City of Fernley Water Rates Update
Five-Year CIP Inflated

FINAL

Improvement Type	5-Year Est. Total	Fiscal Year Ending				
		2022	2023	2024	2025	2026
Treatment Plant						
		3.5% annual inflation				
EWWTP Fire Line and Potable Water Main Construction	\$880,000	\$880,000	\$0	\$0	\$0	\$0
Surface Water Conveyance and Treatment Integration Final Design and Constructi	\$9,140,000	\$5,000,000	\$4,140,000	\$0	\$0	\$0
Replace Eight (8) Turbidity Meters at Water Treatment Facility	\$131,400	\$90,000	\$41,400	\$0	\$0	\$0
WTP Filter Replacement	\$2,375,978	\$0	\$558,900	\$598,708	\$598,708	\$619,662
Subtotal Treatment Plant	\$12,527,378	\$5,970,000	\$4,740,300	\$598,708	\$598,708	\$619,662
Source Development & Wells						
Highway 50 Lift Station Alternate Water Source Construction	\$388,051	\$0	\$0	\$388,051	\$0	\$0
Water Resource Investigation Brady Hot Springs	\$25,000	\$25,000	\$0	\$0	\$0	\$0
Exploratory Borings (3) Brady's Hot Springs	\$465,750	\$0	\$465,750	\$0	\$0	\$0
Test/Production Well Bradys Hot Springs	\$609,795	\$0	\$0	\$609,795	\$0	\$0
Infrastructure Improvements Bradys Hot Spring	\$6,768,723	\$0	\$0	\$0	\$3,326,154	\$3,442,569
Well Bypass Projects	\$124,200	\$0	\$124,200	\$0	\$0	\$0
WMP- Project 4 well improvements	\$258,750	\$0	\$258,750	\$0	\$0	\$0
Armstrong Well Tie-in	\$258,750	\$0	\$258,750	\$0	\$0	\$0
WMP- Project 5 A & B well 9/9A	\$1,552,205	\$0	\$0	\$1,552,205	\$0	\$0
Subtotal Source Development & Wells	\$10,451,224	\$25,000	\$1,107,450	\$2,550,051	\$3,326,154	\$3,442,569
Storage						
Ricci Tank Interior and Exterior Recoat and Site Improvement Project	\$500,000	\$500,000	\$0	\$0	\$0	\$0
Sage Ranch Tank Rehab/Reconstruct Project	\$516,385	\$0	\$0	\$0	\$0	\$516,385
WMP- Project 12 SE Tank & Trans Main	\$5,049,101	\$0	\$0	\$0	\$0	\$5,049,101
Sage Tank Rehab/Reconstruct Project	\$554,359	\$0	\$0	\$554,359	\$0	\$0
Subtotal Storage	\$6,619,845	\$500,000	\$0	\$554,359	\$0	\$5,565,487
Transmission						
Fremont ST Rehab/Reconstruct	\$384,365	\$0	\$51,750	\$332,615	\$0	\$0
Villa Park Water Main Replacement - Villa Way and Parkland Design and Construct	\$500,000	\$500,000	\$0	\$0	\$0	\$0
6th ST, 7th ST & G ST Rehab/Reconstruct Engineering Design and Construction	\$362,250	\$0	\$362,250	\$0	\$0	\$0
Water Distribution System Improvement Project/Water Main Rehab./Constructor	\$517,500	\$0	\$517,500	\$0	\$0	\$0
Cottonwood LN Waterline Replacement and Extension Construction	\$550,000	\$550,000	\$0	\$0	\$0	\$0
Shadow LN Rehab/Reconstruct Construction	\$300,000	\$300,000	\$0	\$0	\$0	\$0
Highway 50 Lift Water Main Extension Design	\$155,250	\$0	\$155,250	\$0	\$0	\$0
Truckee LN Rehab/Reconstruct Engineering Design	\$55,436	\$0	\$0	\$55,436	\$0	\$0
Truckee LN Rehab/Reconstruct Construction	\$906,377	\$0	\$0	\$0	\$332,615	\$573,762
WMP- Project 7 US-95A Booster Pump Station	\$886,974	\$0	\$0	\$0	\$886,974	\$0
WMP- Project 8 HWY 50 Looping Main	\$3,326,154	\$0	\$0	\$0	\$3,326,154	\$0
WMP- Project 9 Logan Lane to Vine St Looping	\$803,266	\$0	\$0	\$0	\$0	\$803,266
WMP- Project 10 Mull Lane High Pressure Trans Main	\$2,524,551	\$0	\$0	\$0	\$0	\$2,524,551
WMP- Project 11 Desert Shadows Trans Main and PRV	\$6,081,872	\$0	\$0	\$0	\$0	\$6,081,872
WMP- Project 13 US-95A Booster Pump and Trans Main	\$3,327,817	\$0	\$0	\$0	\$0	\$3,327,817
Subtotal Transmission	\$20,681,811	\$1,350,000	\$1,086,750	\$388,051	\$4,545,743	\$13,311,267
Meters, Services & Fleet						
WD Fleet Truck with Utility box*GL 510-165-100	\$47,000	\$47,000	\$0	\$0	\$0	\$0
3 Yard Dump Truck *GL 510-165-100	\$80,000	\$80,000	\$0	\$0	\$0	\$0
Fire Hydrant Replacement *GL 510-810-430	\$67,499	\$12,500	\$12,938	\$13,859	\$13,859	\$14,344
Water Meter Improvements Citywide	\$1,345,139	\$250,000	\$258,750	\$554,359	\$138,590	\$143,440
Subtotal Meters, Services & Fleet	\$1,539,639	\$389,500	\$271,688	\$568,218	\$152,449	\$157,784
TOTAL	\$51,819,897	\$8,234,500	\$7,206,188	\$4,659,387	\$8,623,053	\$23,096,769

Source: City of Fernley public works February 2021 and HEC.

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Table A-7
City of Fernley Water Rates Update
Water Fund Debt Service Schedule

FINAL

Fiscal Year Ending	2020 Refunding	2015B Refunding	2016 Refunding	2017 Refunding	Total Debt Service
2021	\$309,271	\$3,537,031	\$260,550	\$218,825	\$4,325,677
2022	\$1,673,644	\$2,184,031	\$260,550	\$115,825	\$4,234,050
2023	\$1,672,842	\$2,183,031	\$260,550	\$115,825	\$4,232,249
2024	\$2,606,235	\$1,224,531	\$260,550	\$115,825	\$4,207,141
2025	\$2,615,279	\$1,219,581	\$260,550	\$115,825	\$4,211,235
2026	\$2,632,955	\$1,219,631	\$260,550	\$115,825	\$4,228,961
2027	\$0	\$3,946,131	\$260,550	\$115,825	\$4,322,506
2028	\$0	\$3,960,881	\$260,550	\$115,825	\$4,337,256
2029	\$0	\$3,968,281	\$260,550	\$115,825	\$4,344,656
2030	\$0	\$3,965,481	\$260,550	\$115,825	\$4,341,856
2031	\$0	\$3,950,881	\$260,550	\$115,825	\$4,327,256
2032	\$0	\$3,949,475	\$260,550	\$115,825	\$4,325,850
2033	\$0	\$1,645,400	\$1,945,550	\$730,825	\$4,321,775
2034	\$0	\$1,637,600	\$1,949,213	\$735,838	\$4,322,650
2035	\$0	\$1,638,000	\$1,956,500	\$739,238	\$4,333,738
2036	\$0	\$1,631,200	\$1,962,800	\$740,963	\$4,334,963
2037	\$0	\$1,629,750	\$1,967,300	\$741,813	\$4,338,863
2038	\$0	\$1,616,550	\$0	\$0	\$1,616,550

Source: City of Fernley.

debt

Table A-8
City of Fernley Water Rates Update

Water Projects - Cost Estimated Greater than \$1 Million

FINAL

Projects Greater than \$1 Million	Total Estimated Cost	Cash-Funded Share of Cost	Estimated Bond Proceeds
	Inflated	25%	75%
Surface Water Conveyance and Treatment [1]	\$9,140,000	\$2,285,000	\$6,855,000
WTP Filter Replacement	\$2,375,978	\$593,994	\$1,781,983
WMP- Project 5 A & B well 9/9A	\$1,552,205	\$388,051	\$1,164,154
WMP- Project 12 SE Tank & Trans Main	\$5,049,101	\$1,262,275	\$3,786,826
WMP- Project 8 HWY 50 Looping Main	\$3,326,154	\$831,538	\$2,494,615
WMP- Project 13 US-95A Booster Pump and Trans Main	\$3,327,817	\$831,954	\$2,495,863
Water Meter Improvements Citywide	\$1,345,139	\$336,285	\$1,008,854
Water Projects > \$1M Total Costs	\$26,116,393	\$6,529,098	\$19,587,295
Existing Customers			
Surface Water Conveyance and Treatment [1]	\$5,030,543	\$1,257,636	\$3,772,907
WTP Filter Replacement	\$2,375,978	\$593,994	\$1,781,983
WMP- Project 5 A & B well 9/9A	\$1,552,205	\$388,051	\$1,164,154
WMP- Project 8 HWY 50 Looping Main	\$3,326,154	\$831,538	\$2,494,615
WMP- Project 13 US-95A Booster Pump and Trans Main	\$1,831,589	\$457,897	\$1,373,692
Water Meter Improvements Citywide	\$740,348	\$185,087	\$555,261
Total Existing Customers	\$14,856,816	\$3,714,204	\$11,142,612
Future Customers			
Surface Water Conveyance and Treatment [1]	\$4,109,457	\$1,027,364	\$3,082,093
WMP- Project 12 SE Tank & Trans Main	\$5,049,101	\$1,262,275	\$3,786,826
WMP- Project 13 US-95A Booster Pump and Trans Main	\$1,496,228	\$374,057	\$1,122,171
Water Meter Improvements Citywide	\$604,791	\$151,198	\$453,593
Total Future Customers	\$11,259,577	\$2,814,894	\$8,444,683

Source: City of Fernley Public Works March 2021.

biig

[1] Integration Final Design and Construction.

Table A-9
City of Fernley Water Rates Update
New Assets Depreciation

FINAL

Infrastructure Improvements	Average Life (years)	Fiscal Year Ending				
		2022	2023	2024	2025	2026
Treatment Plant	40	\$149,250	\$267,758	\$282,725	\$297,693	\$313,184
Source Development & Wells	60	\$417	\$18,874	\$61,375	\$61,375	\$61,375
Storage	80	\$6,250	\$6,250	\$13,179	\$13,179	\$82,748
Transmission	80	\$16,875	\$30,459	\$35,310	\$92,132	\$150,942
Meters, Services & Fleet	15	\$25,967	\$44,079	\$81,960	\$92,124	\$102,643
Estimated New Depreciation		\$198,758	\$367,420	\$474,550	\$556,503	\$710,892

Source: Fernley Public Works and HEC 2021 rate study.

new dep

Table A-10

City of Fernley Water Rates Update

Projected Annual Increases in Water Demand

FINAL

Customer Type	Est. annual water use per account	Fiscal Year Ending				
		2022 Year 1	2023 Year 2	2024 Year 3	2025 Year 4	2026 Year 5
Projected Additional Customers						
Single-family Homes		100	100	100	100	100
Commercial Accounts		10	10	10	10	10
Master-Metered Accounts		0	0	0	0	0
Demand from Growth						
Residential	107,000	10,700,000	10,700,000	10,700,000	10,700,000	10,700,000
Commercial	4,803	48,029	48,029	48,029	48,029	48,029
Estimated Total New Billable Water		10,748,029	10,748,029	10,748,029	10,748,029	10,748,029

Source: HEC.

new d

Table A-11
City of Fernley Water Rates Update
Projected 20-Year Growth

FINAL

Year	Growth in Water Connections	Projected Water Connections
2018		6,488
2019	197	6,685
2020	202	6,887
2021	209	7,096
2022	215	7,311
2023	222	7,533
2024	228	7,761
2025	235	7,996
2026	242	8,238
2027	250	8,488
2028	257	8,745
2029	265	9,010
2030	273	9,283
2031	282	9,565
2032	289	9,854
2033	299	10,153
2034	308	10,461
2035	317	10,778
2036	326	11,104
2037	337	11,441
2038	347	11,788
2039	357	12,145
2040	368	12,513
20-Year Growth		5,626
2040 New Customers		45%
2040 Existing Customers		55%

Source: City of Fernley Draft 2020 Water Master Plan.

growth

Table A-12

City of Fernley Water Rates Update

Allocation of CIP to Existing and Future Users

FINAL

Infrastructure Type	Total Est. Cost 2021 Dollars	Existing Customers		New Customers	
		Share	Cost	Share	Cost
Treatment Plant					
EWWT Fire Line and Potable Water Main Construction	\$880,000	100%	\$880,000	0%	\$0
Surface Water Conveyance and Treatment Integration Final Design and Constructio	\$9,000,000	55%	\$4,953,488	45%	\$4,046,512
Replace Eight (8) Turbidity Meters at Water Treatment Facility	\$130,000	100%	\$130,000	0%	\$0
WTP Filter Replacement	\$2,160,000	100%	\$2,160,000	0%	\$0
Subtotal Treatment Plant	\$12,170,000	67%	\$8,123,488	33%	\$4,046,512
Source Development & Wells					
Highway 50 Lift Station Alternate Water Source Construction	\$350,000	55%	\$192,636	45%	\$157,364
Water Resource Investigation Brady Hot Springs	\$25,000	55%	\$13,760	45%	\$11,240
Exploratory Borings (3) Brady's Hot Springs	\$450,000	55%	\$247,674	45%	\$202,326
Test/Production Well Bradys Hot Springs	\$550,000	55%	\$302,713	45%	\$247,287
Infrastructure Improvements Bradys Hot Spring	\$6,000,000	55%	\$3,302,326	45%	\$2,697,674
Well Bypass Projects	\$120,000	100%	\$120,000	0%	\$0
WMP- Project 4 well improvements	\$250,000	100%	\$250,000	0%	\$0
Armstrong Well Tie-in	\$250,000	100%	\$250,000	0%	\$0
WMP- Project 5 A & B well 9/9A	\$1,400,000	100%	\$1,400,000	0%	\$0
Subtotal Source Development & Wells	\$9,395,000	65%	\$6,079,109	35%	\$3,315,891
Storage					
Ricci Tank Interior and Exterior Recoat and Site Improvement Project	\$500,000	100%	\$500,000	0%	\$0
Sage Ranch Tank Rehab/Reconstruct Project	\$450,000	100%	\$450,000	0%	\$0
WMP- Project 12 SE Tank & Trans Main	\$4,400,000	0%	\$0	100%	\$4,400,000
Sage Tank Rehab/Reconstruct Project	\$500,000	100%	\$500,000	0%	\$0
Subtotal Storage	\$5,850,000	25%	\$1,450,000	75%	\$4,400,000
Transmission					
Fremont ST Rehab/Reconstruct	\$350,000	100%	\$350,000	0%	\$0
Villa Park Water Main Replacement - Villa Way and Parkland Design and Constructio	\$500,000	100%	\$500,000	0%	\$0
6th ST, 7th ST & G ST Rehab/Reconstruct Engineering Design and Construction	\$350,000	100%	\$350,000	0%	\$0
Water Distribution System Improvement Project/Water Main Rehab./Construction	\$500,000	100%	\$500,000	0%	\$0
Cottonwood LN Waterline Replacement and Extension Construction	\$550,000	100%	\$550,000	0%	\$0
Shadow LN Rehab/Reconstruct Construction	\$300,000	100%	\$300,000	0%	\$0
Highway 50 Lift Water Main Extension Design	\$150,000	100%	\$150,000	0%	\$0
Truckee LN Rehab/Reconstruct Engineering Design	\$50,000	100%	\$50,000	0%	\$0
Truckee LN Rehab/Reconstruct Construction	\$800,000	100%	\$800,000	0%	\$0
WMP- Project 7 US-95A Booster Pump Station	\$800,000	100%	\$800,000	0%	\$0
WMP- Project 8 HWY 50 Looping Main	\$3,000,000	100%	\$3,000,000	0%	\$0
WMP- Project 9 Logan Lane to Vine St Looping	\$700,000	100%	\$700,000	0%	\$0
WMP- Project 10 Mull Lane High Pressure Trans Main	\$2,200,000	0%	\$0	100%	\$2,200,000
WMP- Project 11 Desert Shadows Trans Main and PRV	\$5,300,000	0%	\$0	100%	\$5,300,000
WMP- Project 13 US-95A Booster Pump and Trans Main	\$2,900,000	55%	\$1,596,124	45%	\$1,303,876
Subtotal Transmission	\$18,450,000	52%	\$9,646,124	48%	\$8,803,876
Meters, Services & Fleet					
WD Fleet Truck with Utility box*GL 510-165-100	\$47,000	100%	\$47,000	0%	\$0
3 Yard Dump Truck *GL 510-165-100	\$80,000	100%	\$80,000	0%	\$0
Fire Hydrant Replacement *GL 510-810-430	\$62,500	100%	\$62,500	0%	\$0
Water Meter Improvements Citywide	\$1,250,000	55%	\$687,984	45%	\$562,016
Subtotal Meters, Services & Fleet	\$1,439,500	61%	\$877,484	39%	\$562,016
TOTAL	\$47,304,500	55%	\$26,176,205	45%	\$21,128,295

Source: City of Fernley public works February 2021, Draft 2020 water master plan, and HEC.

future alloc

APPENDIX B

WASTEWATER FEES SUPPORT TABLES

Table B-1
City of Fernley Wastewater Rates Update
Historical Financial Performance

FINAL

Revenues and Expenses	Actual Financials for Fiscal Year Ending									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operating Revenues										
User Fees	\$1,865,202	\$1,904,073	\$1,929,793	\$1,981,631	\$2,012,025	\$2,023,135	\$2,396,668	\$3,794,074	\$4,138,734	\$4,366,779
Other Revenue	\$0	\$0	\$0	\$0	\$261	\$65	\$5,854	\$20,845	\$20,040	\$0
Total Operating Revenues	\$1,865,202	\$1,904,073	\$1,929,793	\$1,981,631	\$2,012,286	\$2,023,200	\$2,402,522	\$3,814,919	\$4,158,774	\$4,366,779
Operating Expenses										
Salaries	\$373,712	\$313,760	\$340,917	\$367,975	\$438,744	\$509,073	\$507,480	\$518,845	\$541,831	\$675,440
Benefits	\$161,035	\$165,018	\$131,470	\$161,012	\$179,594	\$254,414	\$231,380	\$241,931	\$254,279	\$467,230
Services and Supplies	\$556,688	\$494,053	\$550,481	\$635,695	\$562,096	\$569,556	\$709,024	\$677,562	\$710,840	\$923,082
Depreciation	\$1,068,514	\$1,062,758	\$1,018,396	\$995,063	\$984,995	\$990,411	\$1,023,540	\$1,022,482	\$1,162,926	\$1,167,986
Total Operating Expenses	\$2,159,949	\$2,035,589	\$2,041,264	\$2,159,745	\$2,165,429	\$2,323,454	\$2,471,424	\$2,460,820	\$2,669,876	\$3,233,738
Operating Income (Loss)	(\$294,747)	(\$131,516)	(\$111,471)	(\$178,114)	(\$153,143)	(\$300,254)	(\$68,902)	\$1,354,099	\$1,488,898	\$1,133,041
Nonoperating Revenue (Expense)										
Interest Earned on Investments	\$38,598	\$12,695	\$26,362	\$20,003	\$11,820	\$38,622	\$43,731	\$96,489	\$225,145	\$281,772
Miscellaneous	\$5	\$21	\$240	\$0	\$0	\$0	\$0	\$0	\$0	\$26,339
Gain (Loss) on Disposals of Capital Assets	\$0	\$0	\$0	\$978	\$0	\$691	\$0	\$6,121	\$2,723	\$0
Interest Expense	(\$365,009)	(\$353,802)	(\$355,539)	(\$333,002)	(\$307,369)	(\$256,383)	(\$250,175)	(\$196,834)	(\$206,476)	(\$292,129)
Total Nonoperating Revenue	(\$326,406)	(\$341,086)	(\$328,937)	(\$312,021)	(\$295,549)	(\$217,070)	(\$206,444)	(\$94,224)	\$21,392	\$15,982
Capital Contributions										
Connection Fees	\$31,178	\$669	\$3,474	\$79,365	\$547,852	\$181,253	\$418,018	\$378,597	\$525,130	\$333,237
Capital Contributions	\$49,140	\$0	\$0	\$0	\$0	\$82,526	\$0	\$0	\$0	\$222,040
Grant Income	\$0	\$0	\$0	\$0	\$10,974	\$0	\$795,435	\$9,935	\$5,153	\$5,701
Total Capital Contributions	\$80,318	\$669	\$3,474	\$79,365	\$558,826	\$263,779	\$1,213,453	\$388,532	\$530,283	\$560,978
Change in Net Assets	(\$540,835)	(\$471,933)	(\$436,934)	(\$410,770)	\$110,134	(\$253,545)	\$938,107	\$1,648,407	\$2,040,573	\$1,710,001
Net Assets Beginning of Year	\$30,463,145	\$29,922,310	\$29,450,377	\$29,013,443	\$28,590,458	\$27,974,044	\$27,720,499	\$28,658,606	\$30,213,426	\$32,253,999
Restatement Adjustment	\$0	\$0	\$0	(\$12,215)	(\$726,548)	\$0	\$0	(\$93,587)	\$0	\$0
Net Assets End of Year	\$29,922,310	\$29,450,377	\$29,013,443	\$28,590,458	\$27,974,044	\$27,720,499	\$28,658,606	\$30,213,426	\$32,253,999	\$33,964,000

Source: City of Fernley.

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Table B-2
City of Fernley Wastewater Rates Update
Operating Expenses Cost Escalation Factors

FINAL

Operating Expenses	2017	2018	2019	2020	Total Change	Annual Avg. % Change
Compensation and Benefits	\$738,862	\$760,776	\$796,109	\$1,142,668	403,806	15.6%
Contract and Technical Services	\$106,309	\$66,690	\$54,060	\$57,527	-48,782	-18.5%
Utilities	\$14,903	\$17,440	\$21,361	\$22,388	7,485	14.5%
Electricity	\$161,106	\$190,880	\$161,872	\$167,262	6,156	1.3%
Repairs and Maintenance	\$177,672	\$152,451	\$144,482	\$165,066	-12,606	-2.4%
Interfund Cost Alloc. Build	\$100,599	\$111,026	\$113,611	\$267,029	166,430	38.5%
Insurance	\$32,399	\$34,214	\$34,218	\$38,579	6,180	6.0%
Communications and Training	\$39,086	\$30,933	\$34,770	\$33,611	-5,475	-4.9%
General Office Supplies and Equipmen	\$13,634	\$11,185	\$19,681	\$28,438	14,804	27.8%
Credit Card Fees	\$0	\$0	\$0	\$44,574	44,574	n.a.
Supplies/Tools	\$57,747	\$38,600	\$66,129	\$75,770	18,023	9.5%
Permits and Licenses	\$995	\$16,033	\$9,840	\$9,705	8,710	113.7%
Miscellaneous	\$4,572	\$8,110	\$50,814	\$13,129	8,557	42.1%
Total Operating Expenses	\$1,447,884	\$1,438,338	\$1,506,947	\$2,065,746	\$617,862	12.6%
Op. Expenses w/o Credit Card Fees	\$1,447,884	\$1,438,338	\$1,506,947	\$2,021,172	\$573,288	11.8%
	<i>June 2017</i>	<i>June 2018</i>	<i>June 2019</i>	<i>June 2020</i>		
ENR Construction Cost Index [1]	10,703	11,069	11,268	11,436	733	2.2%
West Region Consumer Price Index	254	264	271	274	20	2.5%

Source: Engineering News Record, Bureau of Labor Statistics, and City of Fernley.

indices

[1] The ENR CCI 20-year annual average increase is: 3.1%

Table B-3
City of Fernley Wastewater Rates Update
Estimate of Wastewater Flows

FINAL

Customer Type	Flow Basis	No. of Units	Flow (GPD)	Est. Annual Flow (gallons)	Flow per Unit / Account	Percent of Annual Flow
Single Family Residential	unit	6,644	160	388,009,600	58,400	76%
Non-Residential	meter	355	921	119,340,400	336,170	24%
Total Estimated Flow				507,350,000		100%

Source: City of Fernley and HEC.

flow gen

Table B-4
Wastewater Effluent Flow Records

Average Daily Flow

FINAL

Month	2013	2014	2015	2016	2017	2018	2019	2020
Jan	1,185,893	1,094,401	1,021,497	1,240,032	1,331,968	1,426,871	1,306,645	1,329,839
Feb	1,182,654	1,084,696	1,193,679	1,252,000	1,311,000	1,410,154	1,322,461	1,338,038
Mar	1,151,235	1,211,418	1,229,194	1,420,742	1,299,645	1,452,065	1,388,839	1,285,871
Apr	1,174,986	1,233,001	1,284,300	1,368,800	1,343,000	1,563,833	1,410,400	1,304,067
May	1,228,234	1,262,986	1,350,839	1,352,129	1,293,065	1,267,161	1,355,355	1,333,903
Jun	1,183,657	1,224,810	1,354,767	1,239,300	1,222,000	1,273,600	1,416,833	1,396,367
Jul	1,207,572	1,258,957	1,345,452	1,148,000	1,206,000	1,299,000	1,508,871	1,366,839
Aug	1,223,256	1,227,745	1,368,290	1,150,000	1,199,000	1,317,516	1,431,645	1,368,387
Sep	1,221,881	1,217,436	1,305,767	1,349,800	1,196,000	1,367,300	1,460,500	1,446,033
Oct	1,198,050	1,232,171	1,443,290	1,578,935	1,466,935	1,542,419	1,529,839	1,672,613
Nov	1,247,884	1,219,433	1,407,767	1,388,000	1,342,167	1,286,033	1,330,100	1,413,433
Dec	1,241,858	1,162,915	1,371,968	1,504,258	1,490,032	1,407,613	1,288,032	1,400,806
Average	1,203,930	1,202,498	1,306,401	1,332,666	1,308,401	1,384,464	1,395,793	1,388,016

Source: City of Fernley Public Works.

daily

Table B-5
City of Fernley Wastewater Rates Update
Five-year Wastewater Capital Improvements Plan

FINAL

Improvement Type	5-Year Est. Total	Fiscal Year Ending				
		2022	2023	2024	2025	2026
Collection System		All figures in 2021 Dollars				
Cottonwood LN Sanitary Sewer Rehab/Reconstruct	\$140,000	\$140,000	\$0	\$0	\$0	\$0
Villa Park Sewer Main Replacement - Villa Way and Parkland Design and Construction	\$500,000	\$500,000	\$0	\$0	\$0	\$0
South Arm Interceptor Phase 1 MH 295 to MH 1047 Design	\$350,000	\$350,000	\$0	\$0	\$0	\$0
West Lift Station Upgrade, Bypass and Valve Replacement Design and Construction	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0
Shadow LN Rehab/Reconstruct Construction	\$60,000	\$60,000	\$0	\$0	\$0	\$0
US 50 Sewer Improvements and Sage Force Main Valve Installation Design and Construction	\$200,000	\$200,000	\$0	\$0	\$0	\$0
Zone 15 Transite Sewer Main Replacement/Rehabilitation	\$1,750,000	\$0	\$0	\$0	\$250,000	1,500,000
Farm District Lift Relocation Construction	\$3,350,000	\$0	\$500,000	\$950,000	\$950,000	\$950,000
Donner Trails Emigrant and Jesscia Lane Interceptor Upgrade Construction	\$1,750,000	\$0	\$250,000	\$1,500,000	\$0	\$0
Zone 14 Transite Sewer Main Replacement/Rehabilitation	\$1,750,000	\$0	\$250,000	\$1,500,000	\$0	\$0
Truckee LN Rehab/Reconstruct Engineering Design	\$90,000	\$0	\$0	\$30,000	\$60,000	
Lift Station Bypass for Loves and Rolling Meadows Design and Construction	\$200,000	\$0	\$0	\$200,000	\$0	\$0
Lyon DR, Industrial DR, Salvadore DR Rehab/Reconstruct Engineering Design	\$30,000	\$0	\$0	\$0	\$30,000	\$0
South Arm Interceptor Phase 1 MH 295 to MH 1047 Construction	\$3,500,000	\$0	\$3,500,000	\$0	\$0	\$0
6th ST, 7th ST & G ST Rehab/Reconstruct Engineering Design and Construction	\$550,000	\$0	\$550,000	\$0	\$0	\$0
Fremont ST Rehab/Reconstruct Engineering Design	\$100,000	\$0	\$100,000	\$0	\$0	\$0
Subtotal Collection	\$15,320,000	\$2,250,000	\$5,150,000	\$4,180,000	\$1,290,000	\$2,450,000
Treatment						
Camille Genset and SCADA Installation Design and Construction	\$350,000	\$350,000	\$0	\$0	\$0	\$0
Metal Storage Building/Shop for East Plant Design	\$250,000	\$250,000	\$0	\$0	\$0	\$0
Grit Chamber Replacement	\$310,000	\$310,000	\$0	\$0	\$0	\$0
Wastewater Plant Upgrade	\$10,000,000	\$0	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Subtotal Treatment	\$10,910,000	\$910,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Fleet and Other						
Crane Truck	\$90,000	\$90,000	\$0	\$0	\$0	\$0
Sewer Master Plan Update (GL 520-810-320)	\$75,000	\$75,000	\$0	\$0	\$0	\$0
Subtotal Fleet and Other	\$165,000	\$165,000	\$0	\$0	\$0	\$0
TOTAL	\$26,395,000	\$3,325,000	\$7,650,000	\$6,680,000	\$3,790,000	\$4,950,000

Source: City of Fernley public works February 2021.

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Table B-6
City of Fernley Wastewater Rates Update
Five-year CIP Inflated

FINAL

Improvement Type	Funding Source	5-Year Est. Total	Fiscal Year Ending					
			2022	2023	2024	2025	2026	
Collection System			3.5% annual inflation					
Cottonwood LN Sanitary Sewer Rehab/Reconstruct	ARPA	\$140,000	\$140,000	\$0	\$0	\$0	\$0	
Villa Park Sewer Main Replacement - Villa Way and Parkland Design & Const.	ARPA	\$500,000	\$500,000	\$0	\$0	\$0	\$0	
South Arm Interceptor Phase 1 MH 295 to MH 1047 Design	Cash	\$350,000	\$350,000	\$0	\$0	\$0	\$0	
West Lift Station Upgrade, Bypass and Valve Replacement Design & Const.	Cash	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	
Shadow LN Rehab/Reconstruct Construction	ARPA	\$60,000	\$60,000	\$0	\$0	\$0	\$0	
US 50 Sewer Improvements & Sage Force Main Valve Installation Design & Const.	Cash	\$200,000	\$200,000	\$0	\$0	\$0	\$0	
Zone 15 Transite Sewer Main Replacement/Rehabilitation	ARPA	\$1,998,464	\$0	\$0	\$0	\$277,179	\$1,721,285	
Farm District Lift Relocation Construction	Bonds/Cash	\$3,714,211	\$0	\$517,500	\$1,053,282	\$1,053,282	\$1,090,147	
Donner Trails Emigrant and Jesscia Lane Interceptor Upgrade Construction	Bonds/Cash	\$1,921,827	\$0	\$258,750	\$1,663,077	\$0	\$0	
Zone 14 Transite Sewer Main Replacement/Rehabilitation	ARPA	\$1,921,827	\$0	\$258,750	\$1,663,077	\$0	\$0	
Truckee LN Rehab/Reconstruct Engineering Design	Cash	\$99,785	\$0	\$0	\$33,262	\$66,523	\$0	
Lift Station Bypass for Loves and Rolling Meadows Design and Construction	Cash	\$221,744	\$0	\$0	\$221,744	\$0	\$0	
Lyon DR, Industrial DR, Salvadore DR Rehab/Reconstruct Engineering Design	ARPA	\$33,262	\$0	\$0	\$0	\$33,262	\$0	
South Arm Interceptor Phase 1 MH 295 to MH 1047 Construction	Bonds/Cash	\$3,622,500	\$0	\$3,622,500	\$0	\$0	\$0	
6th ST, 7th ST & G ST Rehab/Reconstruct Engineering Design and Construction	ARPA	\$569,250	\$0	\$569,250	\$0	\$0	\$0	
Fremont ST Rehab/Reconstruct Engineering Design	ARPA	\$103,500	\$0	\$103,500	\$0	\$0	\$0	
Subtotal Collection		\$16,456,368	\$2,250,000	\$5,330,250	\$4,634,441	\$1,430,246	\$2,811,431	
Treatment								
Camille Genset and SCADA Installation Design and Construction	ARPA	\$350,000	\$350,000	\$0	\$0	\$0	\$0	
Metal Storage Building/Shop for East Plant Design	Cash	\$250,000	\$250,000	\$0	\$0	\$0	\$0	
Grit Chamber Replacement	ARPA	\$310,000	\$310,000	\$0	\$0	\$0	\$0	
Wastewater Plant Upgrade	Bonds/Cash	\$8,986,199	\$0	\$573,802	\$2,771,795	\$2,771,795	\$2,868,808	
Wastewater Plant Upgrade	ARPA	\$2,013,698	\$0	\$2,013,698	\$0	\$0	\$0	
Subtotal Treatment		\$11,909,897	\$910,000	\$2,587,500	\$2,771,795	\$2,771,795	\$2,868,808	
Fleet and Other								
Crane Truck	Cash	\$90,000	\$90,000	\$0	\$0	\$0	\$0	
Sewer Master Plan Update (GL 520-810-320)	Cash	\$75,000	\$75,000	\$0	\$0	\$0	\$0	
Subtotal Fleet and Other		\$165,000	\$165,000	\$0	\$0	\$0	\$0	
Total Estimated CIP Costs			\$28,531,265	\$3,325,000	\$7,917,750	\$7,406,235	\$4,202,041	\$5,680,239
Estimated Funding Sources								
ARPA Grant Funding	ARPA	\$8,000,000	\$1,360,000	\$2,945,198	\$1,663,077	\$310,441	\$1,721,285	
Capital Reserve (Rates Cash)	Cash	\$4,847,712	\$1,565,000	\$843,138	\$1,227,043	\$622,792	\$589,739	
Capacity Reserve (Connection Fee Cash)	Cash	\$2,000,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	
Bond Proceeds (75% of costs for projects >\$1 Million estimated cost) [1]	Bonds/Cash	\$13,683,552	\$0	\$3,729,414	\$4,116,115	\$2,868,808	\$2,969,216	
Total Estimated Funding Sources			\$28,531,265	\$3,325,000	\$7,917,750	\$7,406,235	\$4,202,041	\$5,680,239

Source: City of Fernley public works February 2021 and HEC June 2021.

cip inf

[1] These projects benefit both existing and future customers. The allocated share of future customers' cost, and associated debt service, is collected with connection fees.

Table B-7
City of Fernley Wastewater Rates Update
Wastewater Fund Debt Service Schedule

FINAL

Fiscal Year Ending	2018 State Loan	2020 Refunding	2015A Refunding	Total Debt Service
2021	\$97,446	\$34,639	\$391,237	\$523,322
2022	\$97,446	\$187,451	\$220,175	\$505,072
2023	\$97,446	\$187,361	\$222,025	\$506,832
2024	\$97,446	\$291,902	\$143,650	\$532,998
2025	\$97,446	\$292,915	\$143,650	\$534,011
2026	\$97,446	\$294,895	\$143,650	\$535,991
2027	\$97,446	\$0	\$448,650	\$546,096
2028	\$97,446	\$0	\$450,012	\$547,459
2029	\$97,446	\$0	\$450,699	\$548,145
2030	\$97,446	\$0	\$449,581	\$547,027
2031	\$97,446	\$0	\$452,738	\$550,184
2032	\$97,446	\$0	\$449,938	\$547,384
2033	\$97,446	\$0	\$451,411	\$548,857
2034	\$97,446	\$0	\$448,300	\$545,746
2035	\$97,446	\$0	\$449,512	\$546,958
2036	\$97,446	\$0	\$449,837	\$547,283
2037	\$97,446	\$0	\$449,274	\$546,720
2038	\$0	\$0	\$97,825	\$97,825

Source: City of Fernley.

debt

Table B-8
City of Fernley Wastewater Rates Update

Wastewater Projects - Cost Estimated Greater than \$1 Million

FINAL

Projects Greater than \$1 Million		Total Estimated Cost	Cash-Funded Share of Cost	Estimated Bond Proceeds
		Inflated	25%	75%
Farm District Lift Relocation Construction		\$3,714,211	\$928,553	\$2,785,658
Donner Trails Emigrant & Jesscia Ln Interceptor Upgrade Construction		\$1,921,827	\$480,457	\$1,441,370
South Arm Interceptor Phase 1 MH 295 to MH 1047 Construction		\$3,622,500	\$905,625	\$2,716,875
Wastewater Plant Upgrade		\$8,986,199	\$2,246,550	\$6,739,649
Sewer Projects > \$1M Total Estimated Costs		\$18,244,737	\$4,561,184	\$13,683,552
Existing Customers	55%	\$9,956,135	\$2,489,034	\$7,467,101
Future Customers	45%	\$8,288,602	\$2,072,150	\$6,216,451

Source: City of Fernley Public Works March 2021.

big

Table B-9
City of Fernley Wastewater Rates Update

FINAL

CIP New Assets Annual Depreciation

Infrastructure Improvements	Average Life (years)	Fiscal Year Ending				
		2022	2023	2024	2025	2026
Collection	60	\$37,500	\$126,338	\$203,578	\$227,416	\$274,273
Treatment Plant	40	(\$2,250)	\$30,094	\$64,741	\$99,389	\$135,249
Fleet and Other	10	\$16,500	\$16,500	\$16,500	\$16,500	\$16,500
Estimated New CIP Depreciation		\$51,750	\$172,931	\$284,819	\$343,304	\$426,022

Source: City of Fernley and HEC.

new depr

Table B-10
City of Fernley Wastewater Rates Update
Projected 20-Year Growth

FINAL

Year	Growth in Water Connections [1]	Projected Sewer Connections
2020		6,999
2021	209	7,208
2022	215	7,423
2023	222	7,645
2024	228	7,873
2025	235	8,108
2026	242	8,350
2027	250	8,600
2028	257	8,857
2029	265	9,122
2030	273	9,395
2031	282	9,677
2032	289	9,966
2033	299	10,265
2034	308	10,573
2035	317	10,890
2036	326	11,216
2037	337	11,553
2038	347	11,900
2039	357	12,257
2040	368	12,625
20-Year Growth		5,626
2040 New Customers		45%
2040 Existing Customers		55%

Source: City of Fernley billing data and growth of 110 connections per year.

growth

[1] Projection from the City's Draft Water Master Plan.

Table B-11
City of Fernley Wastewater Rates Update
Allocation of CIP to Existing and Future Users

FINAL

Infrastructure Type	Total Est. Cost 2021 Dollars	Existing Customers		New Customers	
		Share	Cost	Share	Cost
Collection System					
Cottonwood LN Sanitary Sewer Rehab/Reconstruct	\$140,000	100%	\$140,000	0%	\$0
Villa Park Sewer Main Replacement - Villa Way and Parkland Design & Const.	\$500,000	100%	\$500,000	0%	\$0
South Arm Interceptor Phase 1 MH 295 to MH 1047 Design	\$350,000	55%	\$194,032	45%	\$155,968
West Lift Station Upgrade, Bypass and Valve Replacement Design & Const.	\$1,000,000	55%	\$554,376	45%	\$445,624
Shadow LN Rehab/Reconstruct Construction	\$60,000	100%	\$60,000	0%	\$0
US 50 Sewer Improvements & Sage Force Main Valve Installation Design & Const.	\$200,000	55%	\$110,875	45%	\$89,125
Zone 15 Transite Sewer Main Replacement/Rehabilitation	\$1,750,000	100%	\$1,750,000	0%	\$0
Farm District Lift Relocation Construction	\$3,350,000	55%	\$1,857,160	45%	\$1,492,840
Donner Trails Emigrant and Jesscia Lane Interceptor Upgrade Construction	\$1,750,000	55%	\$970,158	45%	\$779,842
Zone 14 Transite Sewer Main Replacement/Rehabilitation	\$1,750,000	100%	\$1,750,000	0%	\$0
Truckee LN Rehab/Reconstruct Engineering Design	\$90,000	55%	\$49,894	45%	\$40,106
Lift Station Bypass for Loves and Rolling Meadows Design and Construction	\$200,000	0%	\$0	100%	\$200,000
Lyon DR, Industrial DR, Salvadore DR Rehab/Reconstruct Engineering Design	\$30,000	100%	\$30,000	0%	\$0
South Arm Interceptor Phase 1 MH 295 to MH 1047 Construction	\$3,500,000	55%	\$1,940,317	45%	\$1,559,683
6th ST, 7th ST & G ST Rehab/Reconstruct Engineering Design and Construction	\$550,000	100%	\$550,000	0%	\$0
Fremont ST Rehab/Reconstruct Engineering Design	\$100,000	100%	\$100,000	0%	\$0
Subtotal Collection	\$15,320,000	69%	\$10,556,813	31%	\$4,763,187
Treatment					
Camille Genset and SCADA Installation Design and Construction	\$350,000	100%	\$350,000	0%	\$0
Metal Storage Building/Shop for East Plant Design	\$250,000	55%	\$138,594	45%	\$111,406
Grit Chamber Replacement	\$310,000	100%	\$310,000	0%	\$0
Wastewater Plant Upgrade (75% Debt Financed, 25% Cash)	\$7,986,302	35%	\$3,530,064	45%	\$4,456,238
Wastewater Plant Upgrade (ARP Grant Funded)	\$2,013,698	20%	\$2,013,698	0%	\$0
Subtotal Treatment	\$10,910,000	58%	\$6,342,356	42%	\$4,567,644
Fleet and Other					
Crane Truck	\$90,000	55%	\$49,894	45%	\$40,106
Sewer Master Plan Update (GL 520-810-320)	\$75,000	0%	\$0	100%	\$75,000
Subtotal Fleet and Other	\$165,000	30%	\$49,894	70%	\$115,106
Total Estimated CIP Costs	\$26,395,000	64%	\$16,949,063	36%	\$9,445,937

Source: City of Fernley public works February 2021 and HEC June 2021.

cip alloc

\$5,540,000

BUSINESS IMPACT STATEMENT

Water and Sewer Rate Increases

The following Business Impact Statement was prepared pursuant to NRS 237.090 to address the proposed impact to business for the suggested resolutions for water and sewer utility rate increases. The City of Fernley Rate Study was reviewed by City Council on April 21st, 2021, and again on August 18, 2021, after revisions were made to adjust the rates and connection fees. The Rate Study includes an increase to water and sewer usage fees, as well as connection fees that are proposed to begin on April 1, 2022. The purpose of the increases in fees are to pay for the cost of operating and maintaining the City's water distribution and wastewater infrastructure and to fund capital improvement projects to make improvements to water and wastewater infrastructure.

I. COMMENT / SOLICITATION OF COMMENT

A. Manner in which comment was solicited from business's

Owners and officers of businesses which are affected by the Water and Sewer rate increase were requested to submit data or arguments as to whether the proposed action will (a) impose a direct and significant economic burden upon a business; or (b) directly restrict the formation, operation or expansion of a business.

- Public Comment Forms were mailed out to 444 licensed businesses in the City of Fernley. The Clerk's office provided the list of those companies with active business licenses.
- City staff placed an advertisement soliciting comments from business owners in the Reno Gazette Journal newspaper and the Lyon County News Leader. Publish dates were December 8th, 15th, 22nd, 29th, 2021 & January 5th, 2022, editions
- A notice of the proposed increase and a request for comments was posted on Fernley's City website at www.cityoffernley.org.
- City Staff held two public workshops held at City Hall on January 11th, 2022, at 4:30 p.m. and January 18th, 2022, at 4:30 p.m. to inform customers of the proposed rate increase and the reasons behind it.

B. Summary of businesses' response

- The City received 6 total comments from local businesses and commercial users (3 on provided comment cards, 0 on the City website, 0 at the public workshop, and 3 in other forms).
- Responses to the proposed increase were generally against the rate increase.

C. How interested persons may obtain a copy of the summary

- A summary of the proposed rate increase and the results of City Staff's solicitation of comments may be obtained at Fernley City Hall at the Public Works Department, located at 595 Silver Lace Lane, or on the City of Fernley website at www.cityoffernley.org.

II. ESTIMATED ECONOMIC EFFECTS OF PROPOSED RULE ON BUSINESSES

A. Adverse effects on business

- Businesses and Commercial users, like all Fernley municipal water and sewer customers, will see an initial 2.25%/year increase and then a 3%/year increase in water and 3%/year increase in sewer rates beginning on April 1st, 2022.
- The proposed connection fee increases will increase the cost for services for the initial set up of both water (\$7,000 per EDU) and sewer (\$5,000 per EDU) connections.

B. Beneficial effects on business

- The increase will allow the City to continue to provide reliable water service to municipal customers, fund needed improvements in the wastewater collection operations, create adequate revenue for funding of capital improvement projects for the water and wastewater systems.
- Businesses that responded generally indicated they see no benefit from the increases.

C. Direct effects on business

- The increase in water and sewer rates/fees will increase the cost of doing business according to the volume of water and sewer a business uses.

D. Indirect effects on business

- Residential and commercial builders will see an increase in fees in order to connect to municipal water and sewer infrastructure which may be passed along to the customers.
- Other municipal customers will pay more for water and sewer service, which could alter spending patterns because of either a real or perceived decrease in disposable income.

III. METHODS CONSIDERED TO REDUCE IMPACTS

- A. Lessen the percentage increase to minimize effects to commercial users.
- B. Lower rates/fees for businesses and distribute the cost over the remainder of the utility users (i.e. the residential users).
- C. Postpone the rate adjustments to a later date.
- D. At this time there does not appear any reasonable method to achieve the funding that the water and sewer enterprise funds require to complete needed to operate and fund infrastructure improvements.

IV. ESTIMATED COST TO FERNLEY OF ENFORCEMENT OF THE INCREASED RATES

- A. Publish in the newspaper: Estimated cost is \$600.00
- B. No significant cost increases or decreases related to collection are anticipated.

V. THE PROPOSED RULE PROVIDES FOR A NEW FEE OR INCREASES AND EXISTING FEE AND THE TOTAL ANNUAL AMOUNT EXPECTED TO BE COLLECTED IS: \$ 750,000 annually

VI. THE MONEY GENERATED BY THE INCREASE IN EXISTING FEES WILL BE USED BY THE LOCAL GOVERNMENT

- A. The money will be collected to be used for operation and maintenance of the City water treatment/distribution and sewer treatment/collection system.
- B. The money collected will be used for critical infrastructure improvements in the water and wastewater treatment/distribution and treatment/collection systems.

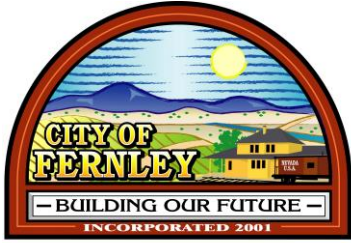
VII. PROPOSED RULE INCLUDES PROVISIONS

- A. The proposed change is not duplicative, or more stringent than existing federal, state or local standards.

VIII. CITY MANAGER'S STATEMENT

I, Daphne Hooper, City Manager of Fernley, Nevada, certify that to the best of my knowledge and belief, the information contained in this Business Impact Statement was prepared properly and is accurate.

Daphne Hooper,
City Manager



CITY OF FERNLEY Public Works Department

Water Treatment/Distribution
Wastewater
Streets/Storm Drain
Parks
Facilities &
Vector Control

November 24, 2021

RE: Public Works Water and Sewer Rate Increase

Dear Business Owner/Management:

On August 18, 2021, City Council directed staff to complete a Business Impact Statement for the proposed water and sewer rate and connection fee increase.

The Business Impact Statement (BIS) must be prepared pursuant to NRS 237.090 to address the proposed impacted of water/sewer rate and connection rate increases.

Before the City Council can adopt a Resolution and finalize fees, the city is required to complete a Business Impact Statement (BIS). The responses received during this process will provide the basis for the presentation and final decision by the City Council.

Utility system costs typically increase at rate greater than the inflation rate. Rates were increased in 2017 with an approximate 3% annual increase thereafter. Based on the recommendations form the City Council at the *August 18th, 2021*, meeting, the following adjustments are being presented for approval through resolution.

- Sewer Rates will increase annually by 3% for the next five years and the sewer connection fees will be \$5,000 per EDU.
- Water Rates will increase by 2.25% the first year and then 3% annually for the next four years. Water connection fees will be \$7,000 per EDU.

The capital projects that have been outlined and approved by the City Council will help ensure that the City of Fernley will be able to continue to deliver clean, and safe drinking water, as well as collect and treat wastewater safely and efficiently from its users. Without these proposed increases, the city will need to defer, or eliminate some of the proposed future capital improvement projects that would ensure an efficiently operating utility system.

Current and Proposed Rate Tables are as follows:

Sewer Rate Schedule Current and Proposed

Customer Type	Current Percentage Increase	4/1/2022 3.00%	1/1/2023 3.00%	1/1/2024 3.00%	1/1/2025 3.00%	1/1/2026 3.00%
Residential						
Flat Monthly Charge per Unit	\$39.25	\$40.43	\$41.64	\$42.89	\$44.18	\$45.50
Non-Residential						
Use Charge per 1,000 Gallons	\$2.73	\$2.81	\$2.89	\$2.98	\$3.07	\$3.16
Non-Residential Flat Monthly Charge by Meter Size						
3/4"	\$66.04	\$68.02	\$70.06	\$72.16	\$74.33	\$76.56
1"	\$81.38	\$83.82	\$86.34	\$88.93	\$91.59	\$94.34
1.5"	\$130.90	\$134.83	\$138.87	\$143.04	\$147.33	\$151.75
2"	\$244.03	\$251.35	\$258.89	\$266.66	\$274.66	\$282.90
3"	\$630.78	\$649.70	\$669.19	\$689.27	\$709.95	\$731.25
4"	\$1,017.50	\$1,048.03	\$1,079.47	\$1,111.85	\$1,145.21	\$1,179.56
6"	\$1,627.02	\$1,675.83	\$1,726.11	\$1,777.89	\$1,831.23	\$1,886.16

Source: City of Fernley August 18, 2021 City Council meeting.

Current and Proposed Water Rate Schedule

	Current Percentage Increase	4/1/2022 2.25%	1/1/2023 3.00%	1/1/2024 3.00%	1/1/2025 3.00%	1/1/2026 3.00%
Service Charge		Charge per Month				
3/4"	\$51.44	\$52.60	\$54.18	\$55.80	\$57.47	\$59.20
1"	\$85.31	\$87.23	\$89.85	\$92.54	\$95.32	\$98.18
1.5"	\$202.93	\$207.50	\$213.72	\$220.13	\$226.74	\$233.54
2"	\$320.23	\$327.44	\$337.26	\$347.38	\$357.80	\$368.53
3"	\$732.52	\$749.00	\$771.47	\$794.62	\$818.45	\$843.01
4"	\$1,018.08	\$1,040.99	\$1,072.22	\$1,104.38	\$1,137.51	\$1,171.64
6"	\$2,272.70	\$2,323.84	\$2,393.55	\$2,465.36	\$2,539.32	\$2,615.50
Other Service Charges		Charge per Month				
Standby Fire Line (any size)	\$51.44	\$52.60	\$54.18	\$55.80	\$57.47	\$59.20
Hydrant Meter	\$83.12	\$84.99	\$87.54	\$90.17	\$92.87	\$95.66
Well 8 Key	\$49.87	\$50.99	\$52.52	\$54.10	\$55.72	\$57.39
Treated Water Use Charges						
Rate per 1,000 gallons	\$3.60	\$3.68	\$3.79	\$3.91	\$4.02	\$4.14
Raw Water Use Charges						
Rate per 1,000 gallons	\$0.98	\$1.00	\$1.03	\$1.06	\$1.09	\$1.13

Source: City of Fernley August 18, 2021 City Council meeting.

Current and Proposed Connection Fee Schedule

	Current	Calculated Fees	Proposed 1-Apr-22
<i>Fee per EDU / per 1,000 galls (commercial)</i>			
Water	\$5,165	\$6,825	\$7,000
Wastewater	\$3,474	\$4,268	\$5,000
Both Utilities	\$8,639	\$11,093	\$12,000

Enclosed is the public comment form on which businesses can provide information regarding the impact of the proposed fee increases.

Comments can be submitted in writing to the following address:

City of Fernley Public Works Department
Attn: Business Impact Statement
595 Silver Lace Blvd.
Fernley, NV 89408

Two (2) workshops will be held at City Hall on the following dates:

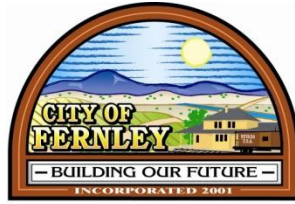
- Tuesday, January 11, 2022, at 4:30pm
- Tuesday, January 18, 2022, at 4:30pm

All comments must be received no later than Tuesday, January 18, 2022, at 5:30pm.

We encourage all business owners in the City of Fernley to attend and provide the appropriate feedback so the city can assess the impacts on businesses. If you have any questions, please do not hesitate to contact us in the Public Works Department at 775-784-9910.

Sincerely,

Barry Williams
Deputy Public Works Director
Enclosure



PUBLIC COMMENT FORM PROPOSED WATER AND SEWER RATE INCREASE

City staff members are soliciting information from businesses regarding the proposed Water and Sewer Rate Increase. The funds collected will be deposited to the City Water and Sewer Funds. Fernley City Council May approve a Resolution on February 16, 2022, adopting a new rate structure and increase for residential water and sewer utility rates, which would become effective April 1, 2022. A recommendation was made for commercial rate increases as well. The resolution for commercial rates will be presented to City Council after the City performs further impact analysis.

The City is soliciting information to prepare a "Business Impact Statement" pursuant to **NRS 237.080/237.090**. The Summary of the proposed Water and Sewer Rate Increase is included on the cover letter. The proposed fees are based on the Rate Study that was approved by the City Council and adopted on April 7th, 2021. All information pertaining to the rate study is available online at The City of Fernley's website, www.cityoffernley.org.

Interested parties are encouraged to complete this Public Comment Form and return it to the Public Works Department. Two (2) Public workshops will be held regarding the proposed water and sewer rate increase at **City Hall, Council Chambers located at 595 Silver Lace Blvd. on Tuesday, January 11th, 2022, at 4:30 pm and Tuesday, January 18th, 2022, at 4:30 pm**. Any and all comments, data, or arguments must be received by **Tuesday, January 18th, 2022, at 6:30 pm** to be considered for the Business Impact Statement.

Please provide us your comments in the following areas:

- 1) Describe the direct adverse effects of the proposed rate increase on your business?
- 2) Describe the direct beneficial effects of the proposed rate increase on your business?
- 3) Describe the indirect adverse effects of the proposed rate increase on your business?
- 4) Describe the indirect beneficial effects of the proposed rate increase on your business?

- 5) Will there be a direct and significant economic burden upon your business or restrict the formation, operation, or expansion of your business?

Please provide your contact information so that we can follow up with you, if needed to prepare the recommendations to the City Council:

Name: _____

Phone Number: _____ Email address: _____

**PROOF OF
PUBLICATION**

**STATE OF WISCONSIN SS.
COUNTY OF BROWN**

City Managers Office
FERNLEY CITY OF
595 SILVERLACE BLVD

FERNLEY NV 89408

Being first duly sworn, deposes and says: That as the legal clerk of the Reno Gazette-Journal, a daily newspaper of general circulation published in Reno, Washoe County, State of Nevada. Notice was published in the Lyon County News Leader in the county of Lyon, state of Nevada. Lyon County News Leader is published in cooperation with the Reno Gazette Journal issue dated between: 12/08/2021 - 01/05/2022, for exact publication dates please see last line of Proof of Publication below.

CITY OF FERNLEY

Public Works Water and Sewer Rate Increase
NOTICE IS HEREBY GIVEN that the City of Fernley is soliciting information from businesses regarding the proposed Water and Sewer Rate Increase as well as an increase of Water and Wastewater Connection fees to prepare a Business Impact Statement pursuant to NRS 237.090. The funds from water and sewer fees are applied to the Water and Sewer Funds, which may be used to improve City infrastructure. Any owners and officers of businesses which are likely to be affected by the rate increase may submit data or arguments as to whether the proposed action will (a) impose a direct and significant economic burden upon a business; or (b) directly restrict the formation, operation, or expansion of a business. Two workshops will be held for public comments on the proposed changes. Please attend either workshop on Tuesday, January 11th, 2022, at 4:30 pm, or Tuesday, January 18th, 2022, at 4:30 pm.

They will be held in the City Council Chambers at City Hall 595 Silver Lace Blvd, Fernley, NV 89408.

Any data or arguments must be received by, Tuesday, January 18th, 2022, at 6:30 pm.

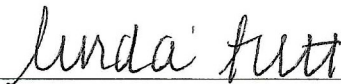
The City-Council MAY introduce a Resolution to adopt the Business Impact Statement on or before February 16th, 2022.

Public Comment Forms may be found at the Public Works Department, Fernley City Hall, 595 Silver Lace Blvd, Fernley, NV 89408 or online at www.cityoffernley.org Document Center.

No 5027319

Dec. 8, 15, 22, 29, Jan. 5 2021

12/08/2021, 12/15/2021, 12/22/2021, 12/29/2021,
01/05/2022



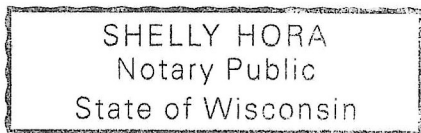
Legal Clerk

Subscribed and sworn before me this
5th of January 2022.



NOTARY PUBLIC RESIDING
AT STATE OF WISCONSIN
COUNTY OF BROWN

Notary Expires: 8-25-23



Ad#:0005027319
P O :

of Affidavits 1

This is not an invoice



Order Confirmation for Ad #: 0005027308

Customer: FERNLEY CITY OF
Address: 595 SILVERLACE BLVD
 FERNLEY NV 89408 USA
Acct. #: REN-311542
Phone: 7757849917

FERNLEY CITY OF
Ordered By: Rachel Endel

OrderStart Date: 12/08/2021

Order End Date: 12/29/2021

<u>Tear Sheets</u>	<u>Affidavits</u>	<u>Blind Box</u>	<u>Promo Type</u>	<u>Materials</u>	<u>Special Pricing</u>	<u>Size</u>
0	1					2 X 14.00

<u>Net Amount</u>	<u>Tax Amount</u>	<u>Total Amount</u>	<u>Payment Method</u>	<u>Payment Amount</u>	<u>Amount Due</u>
\$507.00	\$0.00	\$507.00	Invoice	\$0.00	\$507.00

Ad Order Notes:

Sales Rep: sboland

Order Taker: sboland

Order Created 11/30/2021

Product	# Ins	Start Date	End Date
	4	12/08/2021	12/29/2021
12-08-21, 12-15-21, 12-22-21, 12-29-21,			
	4	12/08/2021	12/29/2021
12-08-21, 12-15-21, 12-22-21, 12-29-21,			

* ALL TRANSACTIONS CONSIDERED PAID IN FULL UPON CLEARANCE OF FINANCIAL INSTITUTION

Text of Ad: 11/30/2021

CITY OF FERNLEY
 Public Works Water and Sewer Rate Increase
 NOTICE IS HEREBY GIVEN that the City of Fernley is soliciting information from businesses regarding the proposed Water and Sewer Rate Increase as well as an increase of Water and Wastewater Connection fees to prepare a Business Impact Statement pursuant to NRS 237.090. The funds from water and sewer fees are applied to the Water and Sewer Funds, which may be used to improve City infrastructure. Any owners and officers of businesses which are likely to be affected by the rate increase may submit data or arguments as to whether the proposed action will (a) impose a direct and significant economic burden upon a business; or (b) directly restrict the formation, operation, or expansion of a business. Two workshops will be held for public comments on the proposed changes. Please attend either workshop on Tuesday, January 11th, 2022, at 4:30 pm, or Tuesday, January 18th, 2022, at 4:30 pm.

They will be held in the City Council Chambers at City Hall 595 Silver Lace Blvd, Fernley, NV 89408.
 Any data or arguments must be received by, Tuesday, January 18th, 2022, at 6:30 pm.

The City Council MAY introduce a Resolution to adopt the Business Impact Statement on or before February 16th, 2022.
 Public Comment Forms may be found at the Public Works Department, Fernley City Hall, 595 Silver Lace Blvd, Fernley, NV 89408 or online at www.cityoffernley.org Document Center.
 No 5027308 Dec. 8, 15, 22, 29, 2021



Order Confirmation for Ad #: 0005027319

Customer: FERNLEY CITY OF
Address: 595 SILVERLACE BLVD
 FERNLEY NV 89408 USA
Acct. #: REN-311542
Phone: 7757849917

FERNLEY CITY OF
Ordered By: Rachel Endel

OrderStart Date: 12/08/2021

Order End Date: 01/05/2022

<u>Tear Sheets</u>	<u>Affidavits</u>	<u>Blind Box</u>	<u>Promo Type</u>	<u>Materials</u>	<u>Special Pricing</u>	<u>Size</u>
0	1					2 X 25.50

<u>Net Amount</u>	<u>Tax Amount</u>	<u>Total Amount</u>	<u>Payment Method</u>	<u>Payment Amount</u>	<u>Amount Due</u>
\$268.90	\$0.00	\$268.90	Invoice	\$0.00	\$268.90

Ad Order Notes:

Sales Rep: sboland

Order Taker: sboland

Order Created 11/30/2021

Product	# Ins	Start Date	End Date
REN-Lyon County Leader	5	12/08/2021	01/05/2022

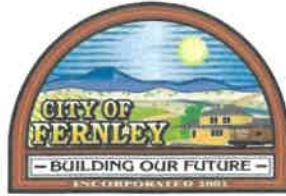
12-08-21, 12-15-21, 12-22-21, 12-29-21, 01-05-22,

* ALL TRANSACTIONS CONSIDERED PAID IN FULL UPON CLEARANCE OF FINANCIAL INSTITUTION

Text of Ad: 11/30/2021

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 No 5027319 Dec. 8, 15, 22, 29, Jan. 5 2021



PUBLIC COMMENT FORM PROPOSED WATER AND SEWER RATE INCREASE

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Interested parties are encouraged to complete this Public Comment Form and return it to the Public Works Department. Two (2) Public workshops will be held regarding the proposed water and sewer rate increase at **City Hall, Council Chambers located at 595 Silver Lace Blvd. on Tuesday, May 18th, 2021 at 4:30 pm and Tuesday, May 25th, 2021 at 4:30 pm**. Any and all comments, data, or arguments must be received by **Tuesday, May 25th, 2021 at 6:30 pm** to be considered for the Business Impact Statement.

Please provide us your comments in the following areas:

- 1) Describe the direct adverse effects of the proposed rate increase on your business?

NONE

- 2) Describe the direct beneficial effects of the proposed rate increase on your business?

NONE

- 3) Describe the indirect adverse effects of the proposed rate increase on your business?

REDUCTION IN DISPOSABLE INCOME COULD RESULT
IN DECREASED SPENDING OVER TIME.

- 4) Describe the indirect beneficial effects of the proposed rate increase on your business?

BETTER SERVICE, QUALITY COULD INCREASE
GROWTH. SLIGHTLY. MORE BUSINESS MORE
DIVERSITY.

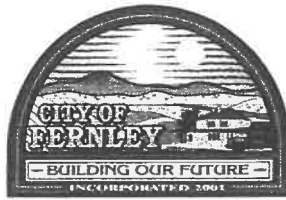
- 5) Will there be a direct and significant economic burden upon your business or restrict the formation, operation or expansion of your business?

NO

Please provide your contact information so that we can follow up with you, if needed to prepare the recommendations to the City Council:

Name: MICHAEL HEWKE ON BEHALF OF "WESTERN BIG R INC"
"BIG R"

Phone Number: 775-575-2491 Email address: MIKEH@BIGRWEST.COM



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Please provide us your comments in the following areas:

- 1) Describe the direct adverse effects of the proposed rate increase on your business?
- 2) Describe the direct beneficial effects of the proposed rate increase on your business?
- 3) Describe the indirect adverse effects of the proposed rate increase on your business?
- 4) Describe the indirect beneficial effects of the proposed rate increase on your business?

- 5) Will there be a direct and significant economic burden upon your business or restrict the formation, operation or expansion of your business?

Please provide your contact information so that we can follow up with you, if needed to prepare the recommendations to the City Council:

Name: Ryan Hanan

Phone Number: 575-4948-1002 ^{Ext} Email address: RYANH@BENLEEDSPROPERTIES.com

Public Comment Form

Proposed Water and Sewer Rate Increase

1) Describe the direct adverse effects of the proposed rate increase on your business?

The proposed rate increase has many direct adverse effects on our business. Namely the increase will consume money from our mostly low income and retired tenants. Money some use to scrape by just to pay rent, maintain their homes, make improvements and be productive members of our local economy. As one of the first low-income communities in Fernley we take great pride in providing a clean, safe and respectable community for those who can't afford to live anywhere else in town. We believe this is a fundamental right which is slowly evaporating in Northern Nevada. The more recent lack of affordable housing puts even greater pressure on our working-class citizens who are, without a doubt, a key component of this community and its economy. A secondary concern for us is our tenant's reduction in funds to maintain a landscaped yard and upkeep of homes. Most families in our community are already struggling to just keep up with life expenses. Watering their landscaping is becoming their last priority. In some cases it already isn't even an option for them.

2) Describe the direct beneficial effects on the proposed rate increase on your business?

We see no direct benefit at all to our business. It's an utter hinderance and nothing less. From a business standpoint we can not think of one benefit this would create for us, our community or our tenants.

3) Describe the indirect adverse effects of the proposed rate increase on your business?

Our concerns and fears are that more money for water means less money for rent, food, clothing, transportation, education, entertainment as well as many other expenses for our low-income residents. The current water rates are already forcing them to make decisions that most of us take for granted. Some residents are already making choices to eat OR pay their bills. This increase will result in neglected houses and yards which results in neglected undesirable communities. Poorer health for some by reduced funds for health care and hygiene. It has a clear cascading economic effect for low-income lives. We feel strongly that low-income residents should have access to a safe clean respectable environment like everyone else and that is why we strongly oppose any further water or sewer rate increase that create further financial burdens for them.

4) Describe the indirect beneficial effects of the proposed rate increase on your business?

This is simple. There is NOTHING in this increase that will directly or indirectly benefit our business or tenants or our community.

5) Will there be a direct and significant economic burden upon your business or restrict the formation, operation or expansion of your business?

This increase will further burden already struggling families in our housing community. The ability to pay rent will be impacted and our ability to collect payments will be further

complicated. Zero scape landscaping creates higher summer temperatures in and around homes. Increases in energy costs along with increase in water costs will overwhelm low-income residents forcing them to make decisions like pay rent or keep the lights and AC on. We know higher costs have direct effects on rents. Delinquencies will become more common. Yards will suffer. Our community park will suffer from reduced watering. Our park costs will increase impacting our ability to put more money back into our community, less money for improvements, impacting funds available to create and maintain our clean safe environment. This is a VERY BAD idea and we, again, strongly oppose any rate increase for sewer or water.

Thank you for the opportunity to give our perspective.

Sincerely,
Ryan Hanan
Reno Villa Park LLC
(Ben Leeds Properties)
945 E Main Street
Fernley, NV 89408
775-575-4948 ext 1002

A handwritten signature in dark ink, appearing to read 'Ryan Hanan', with a long horizontal flourish extending to the right.

May 15, 2021

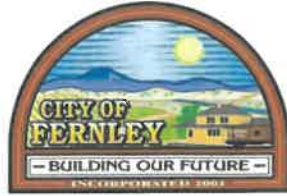
Public Works Dept
re: water rate increase

Upon receiving the notification of proposed water/sewer increases I have to admit my head spun for a moment. Of all the monthly bills we pay, the water/sewer is the most exorbitant, especially because we can't drink the water, it destroys all our fixtures and appliances that use municipal water and our business never exceeds the base usage.

Instead of using your energy on beautification project grants, I believe your focus should be on facilitating grants and funds to REDUCE the consumer's water bill rather than force an increase on the citizens of this city. (both residential and business)

Many businesses and residents have suffered through the pandemic and are just getting back on their feet. Now is not the time to financially burden our community further. I see absolutely zero benefit this proposition offers any of us.

Deanna Armstrong
Motorcycle Mania
10 W Main St
Fernley, NV 89408
775-575-2703



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- 1) Describe the direct adverse effects of the proposed rate increase on your business?
- 2) Describe the direct beneficial effects of the proposed rate increase on your business?
- 3) Describe the indirect adverse effects of the proposed rate increase on your business?
- 4) Describe the indirect beneficial effects of the proposed rate increase on your business?

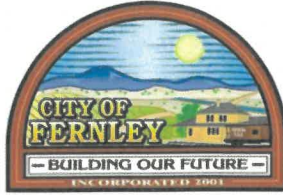
NONE

- 5) Will there be a direct and significant economic burden upon your business or restrict the formation, operation or expansion of your business?

Please provide your contact information so that we can follow up with you, if needed to prepare the recommendations to the City Council:

Name: _____

Phone Number: _____ Email address: _____



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Please provide us your comments in the following areas:

- 1) Describe the direct adverse effects of the proposed rate increase on your business?
As we are a medical facility we are unable to pass this increase onto our patients therefore we will have to absorb this increase.
- 2) Describe the direct beneficial effects of the proposed rate increase on your business?
no benefits!
- 3) Describe the indirect adverse effects of the proposed rate increase on your business?
This will reduce our revenue which impacts our ability to give employees increases etc.
- 4) Describe the indirect beneficial effects of the proposed rate increase on your business?
none!

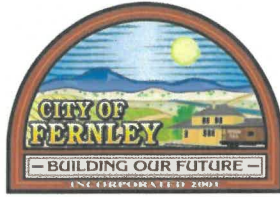
- 5) Will there be a direct and significant economic burden upon your business or restrict the formation, operation, or expansion of your business?

Any increase will have a negative impact on our business as we can not pass any cost onto our patients.

Please provide your contact information so that we can follow up with you, if needed to prepare the recommendations to the City Council:

Name: Lynda Hautz

Phone Number: 775-575 5508 Email address: lhautz@fernleypt.com



PUBLIC COMMENT FORM PROPOSED WATER AND SEWER RATE INCREASE

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Rent Increase

- 2) Describe the direct beneficial effects of the proposed rate increase on your business?

It might keep the water solvent

- 3) Describe the indirect adverse effects of the proposed rate increase on your business?

zero impact, the gram deteriorates

- 4) Describe the indirect beneficial effects of the proposed rate increase on your business?

Not sure, might devalue some properties because of appearance

- 5) Will there be a direct and significant economic burden upon your business or restrict the formation, operation, or expansion of your business?

Not my business, but maybe others

Please provide your contact information so that we can follow up with you, if needed to prepare the recommendations to the City Council:

Name: B. J. Meyer

Phone Number: 575 4913 Email address: ~~bsmeyer1~~bsmeyer1@sbcglobal.net

I am enclosing a current water bill. It is on a 4 plus we own on Curry. For the many years I have been a water user, I have never understood how it is calculated. Would you please show me so I might be able to understand how the money is calculated, and I would like the info to me



CITY OF FERNLEY

CITY COUNCIL AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council
REPORT THRU: Daphne Hooper, City Manager
REPORT FROM: Denise Lewis, City Treasurer
REVIEWED BY: Daphne Hooper, City Manager

FINANCIAL IMPACT:

Yes: ☒ No: ☐

CURRENTLY BUDGETED:

Yes: ☐ No: ☒

FUND/ACCOUNT:

Revenue 100.310.100

ACTION REQUESTED: ☐ Consent ☐ Ordinance ☐ Resolution ☒ Motion ☐ Receive/File

AGENDA ITEM: Staff Report (For Possible Action):

Discussion and Possible Action to Approve the City of Fernley's Maximum Allowed Operating Property Tax Rate to be Levied for Fiscal Year 2023 and for Submission to the Department of Taxation.

In February of each year, the Department of Taxation establishes the preliminary maximum allowed property tax rate for all local governments for the following fiscal year. The property tax rate that the governing body proposes to levy must be submitted to the department of taxation in writing. Once notification is submitted to taxation, the property tax rate will then be used to create the final property tax revenue projections, which will also include abatement calculations.

Recommended Motion:

"I move to approve the City of Fernley's maximum allowed operating property rate to be levied for Fiscal Year 2023 and for submission to the Department of Taxation."

Business Impact (per NRS Chapter 237):

- ☐ A Business Impact Statement is Attached.
- ☒ 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: To not increase the tax rate.

BACKGROUND: In February of each year, the State Department of Taxation provides a maximum allowed property tax rate and the City must submit in writing the property tax rate the City proposes to levy for the upcoming fiscal year. Upon request by City Council, this information is being brought forward for Council approval prior to budget workshops. The City's current tax rate for FY 2022 is set at .6751. The City will not receive the letter provided by the Department of Taxation confirming the new maximum allowed rate until February 15, 2022.

There is a misconception that the City of Fernley receives all moneys included and paid for on an individual tax bill. That is not the case. The City only receives 67 cents on every \$100 of assessed value. For example, with a total assessed value within the City of Fernley of \$978M, the City would only receive \$3.6M, which is less abatements of about 45%. $(978,000,000/100=9,780,000 \times .6751=6,602,478 \text{ (pre-abated amount)} \times 55\%=3.6\text{M})$

LEGAL IMPLICATIONS: N/A

ATTACHMENTS:

- Memo from the Department of Taxation dated January 25, 2022



STATE OF NEVADA
DEPARTMENT OF TAXATION

Web Site: <https://tax.nv.gov>

1550 College Parkway, Suite 115
Carson City, Nevada 89706-7937
Phone: (775) 684-2000 Fax: (775) 684-2020
Call Center: (866) 962-3707

STEVE SISOLAK
Governor
JAMES DEVOLLD
Chair, Nevada Tax Commission
SHELLIE HUGHES
Executive Director

LAS VEGAS OFFICE
700 E. Warm Springs Rd, Ste., 200
Las Vegas, Nevada 89119
Phone (702) 486-2300 Fax (702) 486-2373

RENO OFFICE
4600 Kietzke Lane
Building L, Suite 235
Reno, NV 89502
Phone: (775) 687-9999
Fax: (775) 688-1303

MEMORANDUM

Date: January 25, 2022
To: All Local Government Finance Officers
From: Local Government Finance
Subject: Tax Rate Changes for FY 2022-23

The Preliminary Revenue Projections publication, which establishes the preliminary maximum allowed operating property tax rate for all local governments, will be distributed on February 15, 2022. Please review and notify your analyst **in writing** by **February 21, 2022** regarding the property tax rate your governing body proposes to levy in FY 2022-23. This office will compile and disseminate the information to the County Treasurers and the Centrally Assessed section of the Division of Local Government Services for use in the preparation of the property tax proforma revenue report. If we do not receive a response from you, the FY 2021-22 tax rates will be applied. Please contact the analyst assigned to your entity if you have any questions.

Kelly Langley - Supervisor
(775) 684-2073
klangley@tax.state.nv.us

Clark

Ande Thorpe
(775) 684-2092
tthorpe@tax.state.nv.us

Carson City
Douglas
Eureka
Multi-County Districts

Evelyn Barragan
(775) 684-2027
barragan@tax.state.nv.us

Lyon
Nye
Storey
White Pine

Kellie Grahmann
(775) 684-2065
kgrahmann@tax.state.nv.us

Churchill
Lincoln
Mineral
Pershing
Washoe

Keri Gransbery
(775) 684-2077
kgransbery@tax.state.nv.us

Elko
Esmeralda
Humboldt
Lander



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council

REPORT THRU: Daphne Hooper, City Manager

REPORT FROM: tconner tconner

FINANCIAL IMPACT:	CURRENTLY BUDGETED:	FUND/ACCOUNT:
Yes: X No:	Yes: X No:	N/A

ACTION REQUESTED: Motion

AGENDA ITEM: (For Possible Action):

(For possible action) Discussion regarding the long-term use goals and plans for the Fernley Depot.

AGENDA ITEM BRIEF:

The Fernley Train Depot is currently not open to the public nor is it occupied because amenity improvements are needed. The Depot is on the National Registry of Historic Places and all rehabilitative work must be consulted in cooperation with the State Historical Preservation Office to ensure protection of the historic resource. Staff is requesting direction from the City Council as to what use the Depot will be for the City and whether or not to maintain the Depot on the National Registry of Historic Places.

RECOMMENDED MOTION:

Options for the Council to consider:

- Keep the Depot on the National Historic Registry and continue with period-appropriate amenities and structures.
- Remove the Depot from the National Historic Registry and move forward with modern amenities and structures.
- Keep the Depot on the National Historic Registry, move forward with period-appropriate looking amenities and fund with City funds.
- Any other direction the Council feels appropriate.

BUSINESS IMPACT (per NRS Chapter 237):

N/A

See attached report for background, analysis, alternatives.

ALTERNATIVES:

Council may:

- Request additional information.

BACKGROUND:

FERNLEY DEPOT

The construction of the Fernley Depot was completed in August of 1914. The Depot was in use until the Southern Pacific Railroad closed in September of 1985. The Depot was purchased by the Fernley Preservation Society in January of 1986 and was moved to its present location on Main Street in September 1986. The City acquired the Depot from the Preservation Society in the 2000's.

The Fernley Train Depot is a building with a two-story combination station that accommodated passenger and freight traffic as well as daily operational activities on the first floor, and the stationmaster's living quarters on the second floor. The facility has an elevated loading dock on the west end of the building and a porch on the east end of the building. The building sits on a concrete pad that was poured to fit the footprint when it was moved in 1986. There are four square freight doors on the north and south sides of the loading deck. And another two rectangular freight doors, flush with the ground level to the baggage room. The Depot has six pedestrian entrances, three each on the north and south sides. The depot has twenty-five wood windows – thirteen on the first floor and twelve on the second floor.

The building was moved to the current site, 675 E. Main Street, in 1986 and upgraded with structural improvements in 1992. The Depot went through an extensive rehabilitation from 2004-2010, entitled Fernley & Lassen Railway Depot Rehabilitation Project, funded by federal dollars through NDOT. The work included grading and paving the front of the Depot, stabilizing portions of the framing and foundation, installing safety upgrades to the loading dock (e.g. fencing, wheelchair lift, and wooden stairs), installing appropriate light fixtures and heat stoves, repairing interior finishes, and reconstruction of missing elements (e.g. cabinetry and doors). The project was substantially completed in 2010. Remaining punch list items were the responsibility of the City of Fernley and have been completed.

A certificate of occupancy was issued in August of 2014. However, special instructions and conditions state no public access is permitted on the second floor and during events it is required that a port o' potty be provided. The occupancy load is 306. The Train Depot is located on Main Street and is currently not open to the public nor is it occupied.

National Registry of Historic Places 2005

The Fernley and Lassen Railway Depot – Fernley, Nevada was listed on the National Register of Historic Places in April 2005. The Statement of Significance notes the "property is associated with events that have made a significant contribution to the broad patterns of our history" and the "property embodies the distinctive characteristics of a type, period, or method of construction or represents the work of a master, or possesses high artistic values, or represents a significant and distinguishable entity whose components lack individual distinction." The Depot holds

transportation and architectural significance – architect/builder, Southern Pacific Railroad Company. The Period of Significance is from 1914-1955. The Depot is the only remaining intact example of Southern Pacific's Common Standard Plan # 22 combination depot left in Nevada. The Depot not only reflects the presence of the railroad in Fernley, it is also the remaining example of any type of railroad architecture in Fernley. Being listed nature, and is intended to celebrate the history and significance of the building.

NRS 383.211 Intergovernmental Cooperation

Because the Fernley Depot is a historic building owned by the City, we must comply with NRS 383.121, whether the City funds rehabilitative projects with federal funds or local funds. In accord with NRS 383.121, "all departments, commissions, boards and other agencies of the State and its political subdivisions shall cooperate with the Office of Historic Preservation in order to salvage or preserve historic, prehistoric or paleoenvironmental evidence located on property owned or controlled by the United States, the State of Nevada or its political subdivisions." What does this mean for the City and the Depot? NRS 383.211 means the City must consult and cooperate with the Nevada State Historical Preservation Office regarding any and all rehabilitative or reconstructive work to the Depot before implementing the improvements and all rehabilitative methods should follow the Secretary of the Interior's Standards for Rehabilitation to protect historical resources.

COMPLETED REHABILITATION PROJECTS 2017-2022

Over the last five years, the City has made improvements to the Depot for the eventual use and occupancy of the Depot that include lead-based paint removal, sewer lateral construction, and site design for a restroom facility at the Depot. Out of necessity, the City has also installed security cameras and an alarm. The City has also made improvements to the parcels around the Depot, including the purchase of vacant land behind the Depot, the conceptual design of the future Community Center Campus that includes the Depot facility.

Land Purchase behind Depot – Completed August 2017

The City purchased the vacant 8.5 acres behind the Depot in August 2017, using Transient Lodging Tax funds for \$950,000. The City purchased this land to build a new multi-purpose community civic center. Key stakeholders of the future community civic center include Lyon County Manager's Office, Lyon County Human Services (and Senior Center), Lyon County Sheriff's Office, Lyon County School District, Western Nevada College, and the Boys & Girls Club of Truckee Meadows. Additionally, a group of dedicated residents have formed the Fernley Community Foundation to garner support and resources for the completion of the project.

Depot Lead-Based Paint Rehabilitation Project – Completed May 2018

In May 2018, the Depot Lead-Based Paint Rehabilitation Project was completed at a cost of \$173,000 to prevent further degradation of the exterior paint of the building; a new coat of paint was necessary.

Fernley Depot Phase 1 Project – Completed Fall 2019

The City of Fernley was awarded \$60,000 from the Nevada Community Development Block Grant (CDBG) Program to assist with the Fernley Depot Phase 1 project which planned, designed, and completed the environmental review for a sanitary sewer and potable water hookup for the Fernley Depot. This project was completed in the fall of 2019.

Depot Sewer Lateral Construction and Site Design – Completed October 2020

Funded by the Community Development Block Grant (CDBG), this project was completed in two (2)

phases. The first phase constructed the sewer main extension that extends from the north side of Main Street to bring sanitary sewer utility to the Train Depot property in the amount of \$250,000. The second phase completed the design for the site improvements required to construct a restroom facility on the Train Depot property in the amount of \$50,000. The City of Fernley successfully completed and closed-out as of October 31, 2020.

Depot Community Center Design – Completed October 2020

The City of Fernley successfully completed a community center conceptual design funded by a CDBG grant as of October 2020 in the amount of \$80,000. The scope of work included a strong focus on community outreach and visioning for the facility, including charrettes, focus groups, and online surveys.

Construction of Lyon County Senior Center – Completed November 2020

The new Senior Center was completed in November of 2020. On August 2021, City Council approved and adopted Resolution #21-006, the City of Fernley's conveyance of APN 021-103-57 known as the New Lyon County Senior Center to Lyon County in exchange of APN 020-321-01 known as the Old Senior Center at 1170 W. Newlands Drive, Fernley.

REHABILITATION IN PROGRESS

Staff continues to work on two Depot Improvement projects, including the Depot Roof Replacement Project and the installation of an ADA Compliant Restroom Facility behind the Depot. In addition, the development of the Community Response & Resource Center (CRRRC) is also in progress, which is located behind the Depot property.

Depot Improvement Project Phase 4: ADA-Compliant Restroom Behind Depot – In Progress

The Depot Improvement Project Phases 1-3 were funded by CDBG and resulted in the plans and construction documents to connect water/sewer to the Depot property, the construction of the sewer lateral for the Depot, and design, plans and construction documents for the installation/construction of a prefabricated ADA-compliant restroom in back of the Depot. Further grant funding will be required to purchase and install a prefabricated restroom facility and utility connections, sidewalk, and other concrete flatwork to provide ADA compliant access, and required drainage improvements to the site. This project is in progress. Staff expects to hear from CDBG regarding grant award in April 2022. If awarded, the project will begin July 1, 2022 with an expected completion date of June 2023.

Depot Roof Replacement

Currently, City staff are working on the engineering portion of the Depot roof. A new roof will be installed on the train depot. The current roof has cedar shake shingle and is badly deteriorated, with no sheathing under the shingles, allowing precipitation to enter the interior of the building. Staff has specifications for roofing to publicly bid the project and is currently working with a structural engineer to finalize the analysis of the roofing truss supports. City Council should consider whether the Depot should remain as a historical structure with period-correct hand cut shingles, or if more modern roofing can be considered with recategorization with the State Historical Preservation Office (SHPO). Initial estimates indicate costs may be \$500,000, or higher if period-correct materials are used.

Community Response & Resource Center – In Progress

In 2021, the City of Fernley received ARPA funding and Council allocated \$12 million of the ARPA funds for the development and construction of the Community Response & Resource Center

(CRRC). The programming and services approved by Council include first and foremost a community emergency hub for the City of Fernley, then the following services: job training assistance, education assistance – early learning, healthy childhood environments, and education assistance – academic services. A workgroup including Lyon County School District, Boys & Girls Club of Truckee Meadows, the Fernley Community Foundation, JOIN Inc., TSK Architects and the City of Fernley was established to address the programming/services and ensure they meet the needs of the community, ensure ARPA eligibility, discuss programming requirements for each organization, funding sources, and long-term sustainability. This project is in progress with a completion in late 2024.

Future Depot Improvements

The Depot improvements depend on the use Council determines for the Depot and the method of the rehabilitation must be approved by the State Historical Preservation Office. Below is a list of improvements staff deem necessary to occupy the building full time. Please note the list is not all inclusive: updating electrical wiring, water/sewer hookup to the building, testing upstairs for lead, insulation, HVAC or alternative heating/cooling system, and flooring.

Federal Grant Funding

Being listed in the National Register of Historical Places is honorary in nature and is intended to celebrate the history and significance of the building. The City is required to consult with the State Historical Preservation Office under NRS 383.121 for all owned historic buildings, whether they are listed on the National Registry of Historical Places (NRHP) or not. Many communities find NRHP designations useful while marketing for heritage tourism. There are also other benefits, such as better access to grant funding.

DEPOT USE & MAINTAINING HISTORICAL STATUS

The Depot is a public facility, whose zoning allows for offices, event center/banquet hall, fraternal club, lodge, community service facilities, cultural institutions, entertainment facility, theater, park, open space, recreation facility, and transportation passenger terminal.

In the past, City Council has discussed several use opportunities for the Depot, including developing the Depot into an interpretive center focusing on the historical Depot, partnering with the state to run a museum for the City, and to rent the facility to service clubs for meetings. In determining the future use of the Depot, it will be important to plan ahead and operate within budget to ensure the City's financial position remains positive. Staff asks Council to please consider possible costs associated with getting the Depot ready for use listed above. Consider the potential costs of implementing the Depot Use Plan. For example, the costs of implementing a plan to use the Depot as a theater may be more than the costs to use the Depot for office space. Consider the cost to maintain the building once in use and the operating cost, including staffing. The current building maintenance cost is \$4,160/year with no occupancy, rarely used, and generates no revenue. Consider using the Depot to generate revenue. There are various ways to generate revenue, whether it is through tourism like a museum or renting the facility for meetings or banquets. Also, consider public-private partnership opportunities like a coffee shop or restaurant. We also need to consider the development of the Community Response & Resource Center and the programs and services will be housed in the Center. Are there opportunities that will complement the CRRC? Consider the City's strategic plan's goals and strategies of developing a livable community, a connected and engaged community, progressing through partnerships, and providing robust municipal services. Is there an opportunity for the Depot to improve the livability of the community? What are the community needs? What uses would capitalize the historical features and significance of the Depot? Staff asks Council to consider the benefits and costs of maintaining the Depot on the National Historical Registry. The cost to prepare the Depot for use and to maintain the Depot as a historical building may be significantly more than reconstructing the

Depot with modern building materials. For example, a metal roof will last longer and cost less than period-correct cut cedar shake shingles. And finally, consider the funding sources that will fund the Depot Improvements. If the City used their own money to alter the building, the NRHP listing would not introduce any additional review requirements or restrictions beyond what we are currently doing now pursuant to NRS 383.121. The only thing that would trigger additional consultation and review would be if we obtained grants, or used federal funds.

LEGAL IMPLICATIONS:

NRS 383.121

FINANCIAL IMPLICATIONS:

Financial implications depend on the use of the building and if Council wants to keep the Depot on the national historical registry.

ATTACHMENTS:

None

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THIS CONTRACT is made and entered into this 16th day of February, 2022, 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 Farr West Engineering, a Professional Engineering Company, whose address is 5510 Longley Ln, Reno, NV 89511 ("Consultant").

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

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

WHEREAS the City desires to retain the services of Consultant 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. **CONSULTANT'S SERVICES:**

a. **Description of Services.**

i. **Attachments:**

1. **Attachment A:** Scope of Work. Consultant hereby agrees to provide the services set forth in the Scope of Work attached hereto as Attachment A and incorporated herein by this reference.
2. **Attachment B:** Fee Schedule
3. **Attachment C:** Schedule of Services. Tasks and subtasks shall be completed in accordance with the schedule in Attachment C. Any change(s) to the schedule must be approved in writing by the City's Project Manager.

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4. **Attachment D:** Project Team. Consultant will perform the work using the project team identified in Attachment D. Any changes to the project team must be approved in writing by the City's Project Manager.
- b. **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 Consultant 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 Consultant Cooperation with City. Consultant 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 notice, available for consultation with the City at such reasonable times as to not conflict with the City's other responsibilities.
- c. **Notice to Proceed.** Consultant shall not commence work until the Contract is fully executed by City and Consultant and a Notice to Proceed (NTP) has been issued to the Consultant by the City.
- d. **Optional Services.** The City shall have the right to exercise its option(s) for all or any part of the OPTIONAL tasks or subtasks identified in Attachment B Fee Schedule, (and further described in Attachment A Scope of Services). The Consultant shall not commence work on any OPTIONAL task prior to issuance of a NTP for the OPTIONAL task by the City.

3. REQUIRED APPROVAL COMPENSATION AND TERMS OF PAYMENT:

- a. **Compensation.** The City agrees to pay Consultant 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.** Consultant 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.** Consultant shall submit an invoice for payment for the services provided by Consultant based on the manner or method of payment set forth in Attachment A (Scope of Work) and Attachment B (Fee Schedule).

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- d. **Timeliness of Billing.** Consultant 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.
- e. **Dispute:** If the City disputes a payment or portion thereof that a design professional alleges is due, the city must dispute the matter in a written notice and no later than 30 days after the design professional submits the notice of payment. If the City fails to pay the invoice amount in a timely manner than a penalty of \$100 will be imposed.
- f. **Not to Exceed.** The maximum amount payable to Consultant to complete each task is equal to the not-to-exceed amounts identified in Attachment B. Consultant may submit a written request to the City's Project Manager to reallocate not-to-exceed amounts between Tasks. The request to reallocate must be accompanied by a revised fee schedule with associated revised not-to-exceed amounts and must be approved in writing by the City's Project Manager prior to performance of the work. Consultant shall not be compensated in excess of the Total not-to-exceed Contract amount:

Subtotal Professional Services: (100%) \$ 62,170

Subtotal OPTIONAL Professional Services: (N/A) \$

Total NTE Amount (Including OPTIONAL Services) \$ 62,170

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 Consultant: Farr West Engineering
 5510 Longley Ln
 Reno, NV , 89511

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5. INSPECTION & AUDIT:

- a. **Books and Records.** Consultant 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.** Consultant agrees that the relevant books, records (written, electronic, computer related or otherwise), including, without limitation, relevant accounting procedures and practices of Consultant 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 Consultant 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 Contract under this Contract for such period of time as the City, in its sole discretion, may prescribe by providing written notice to Consultant. The suspension shall be effective as of the date set forth in the written notice. With such suspension, the City agrees to pay Consultant 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 Consultant with ten (10)

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days' prior written notice to Consultant. In the event of termination, without cause or default, the City agrees to pay Consultant for the services performed before the date that notice of termination is received by Consultant.

- c. **Termination for Non-Appropriation.** Consultant 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 Consultant 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 Consultant 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 Consultant 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 Consultant 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 Consultant: (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.

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- 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.** In the event that 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. Consultant shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if requested by the City.
 - iii. Consultant shall execute any documents and take any actions necessary to effectuate an assignment of this Contract if requested by the City; and
 - iv. Consultant shall preserve, protect, and promptly deliver possession to the City of all proprietary information in accordance with Section 18.
 - v. In the event that 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. In the event of an action to enforce the contract, the prevailing party is entitled to reasonable attorney's fees and costs.

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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 Consultant, 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:** The City does not require the Consultant to defend, indemnify or hold harmless the public body or the employees, officers or agents of that public body from any liability, damage, loss, claim, action or proceeding caused by the negligence, errors, omissions, recklessness or intentional misconduct of the employees, officers or agents of the public body.
- a. The City does require the Consultant to indemnify and hold harmless the public body, and the employees, officers and agents of the public body from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees and costs, to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Consultant or the employees or agents of the Consultant in the performance of the contract.
 - b. The City does not require the Consultant to defend the public body and the employees, officers and agents of the public body with respect to the liabilities, damages, losses, claims, actions or proceedings caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Consultant or the employees or agents of the Consultant which are based upon or arising out of the professional services of the Consultant. If the Consultant is adjudicated to be liable by a trier of fact, the trier of fact shall award reasonable attorney's fees and costs to be paid to the public body, as reimbursement for the attorney's fees and costs incurred by the public body in defending the action, by the Consultant in an amount which is proportionate to the liability of the Consultant.
 - c. The City does require the Consultant to defend the public body and the employees, officers and agents of the public body with respect to the liabilities, damages, losses, claims, actions or proceedings caused by the

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negligence, errors, omissions, recklessness or intentional misconduct of the Consultant or the employees or agents of the Consultant which are not based upon or arising out of the professional services of the Consultant.

12. INDEPENDENT CONTRACTOR: Consultant 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, Consultant 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 Consultant or any other party. Consultant 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 Consultant or the Public Employees Retirement System; (5) accumulation of vacation leave or sick leave; or (6) unemployment compensation coverage provided by the City. Consultant 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 Consultant 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, Consultant shall, at Consultant'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. Consultant shall not commence work before Consultant 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 Consultant. Consultant's insurance policies shall apply on a primary basis. Until such time as the insurance is no longer required by the City, Consultant 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 Consultant has knowledge of any such failure, Consultant shall immediately notify the City and immediately replace such insurance or bond with an insurer meeting the requirements.

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- a. **Workers' Compensation and Employer's Liability Insurance.** Industrial insurance protecting Consultant and the City from potential employee claims based upon job-related sickness, injury, or accident, during the performance of this Contract. Consultant shall provide a work certificate issued by a qualified insurer in accordance with NRS 616B.627. Prior to commencing any work, Consultant 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 Consultant is required to maintain. The certificate and notice should be mailed to:

City of Fernley

595 Silver Lace Blvd

Fernley, NV 89408

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



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

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- i. Additional Insured: By endorsement to the general liability insurance policy evidenced by Consultant, ***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 Consultant 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 Consultant 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, Consultant 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 Consultant.
 - 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.

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- 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 Consultant. Neither approval by the City nor failure to disapprove the insurance furnished by Consultant shall relieve Consultant of Consultant'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 Consultant 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. Consultant 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 Consultant fails to carry the required insurance, the City may: (i) order Consultant to stop further performance of the Contract, and declare Consultant 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 Consultant or charge the replacement insurance costs back to Consultant.

14. COMPLIANCE WITH LEGAL OBLIGATIONS: Consultant 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 Consultant to provide the goods or services required by this Contract. Consultant 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 Consultant in accordance with NRS 361.157 and 361.159. Consultant 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

CONTRACT

A Contract For Design Professional Services

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. Consultant 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 Consultant (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 Consultant upon completion, termination, or cancellation of this Contract. Consultant shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of Consultant'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 Consultant 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. Consultant may label specific parts of an individual document as a "trade secret" or "confidential," provided that Consultant 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. Consultant 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-

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A Contract For Design Professional Services

specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.

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

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

A Contract For Design Professional Services

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 party,

CONTRACT

A Contract For Design Professional Services

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, Consultant 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. Consultant further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

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CONTRACT

A Contract For Design 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:

Department Head Date

CONTRACT

A Contract For Design Professional Services

CONSULTANT, being first duly sworn, deposes and says: That Farr West Engineering is the Consultant; that Brent Farr has read the foregoing Contract; and that he understands the terms, conditions, and requirements thereof.

CONSULTANT

BY:

TITLE:

FIRM:

BUSINESS LICENSE #:

Address:

City: State: Zip Code:

Telephone: Fax #:

E-mail Address:

(Signature of Consultant)

DATED this _____ day of _____, 20__.

STATE OF _____)
) ss
County of _____)

On this _____ day of _____, in the year 20__, before me, _____ / Notary Public, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged that he executed it.

WITNESS my hand and official seal.

Notary's Signature

My Commission Expires: _____



January 28, 2022

Barry Williams
Deputy Public Works Director
Safety Officer
City of Fernley
595 Silverlace Blvd.
Fernley, NV 89408

RE: Fernley Train Depot Roof Replacement

Dear Mr. Williams:

Farr West Engineering (Farr West) is pleased to submit this proposal for project management, architectural, structural, bidding and construction administration services related to the replacement of the Fernely Train Depot roof. Architectural and structural services will be performed by subconsultants. The attached exhibits A through D include the detailed Scope of Work, Schedule, Budget, and Engineer's Rate Schedule.

Based on the project information available at this time, we estimate this work will be completed on a time and materials basis per the Engineer's Rate Schedule and the subconsultant fees in an amount not to exceed \$62,170. This includes services for design, bidding, and construction administration.

We appreciate the opportunity to submit this proposal. If you have any questions or concerns, please don't hesitate to contact me at (775) 284-7898.

Regards,

A handwritten signature in blue ink, appearing to read "Keith Karpstein".

Keith Karpstein, P.E.
Senior Engineer

Encl: Exhibit A – Scope of Work
Exhibit B – Schedule
Exhibit C – Budget
Exhibit D – Engineer's Rate Schedule

EXHIBIT A SCOPE OF WORK

City of Fernley Train Depot Roof

The City of Fernley requested a proposal for architectural, structural, project management, and construction management services regarding the replacement of a shingle roof on the historic train depot building located in Fernley, Nevada. The City of Fernley will receive architectural and structural design services related to the roof replacement required for contractor bidding, including cost analysis for three alternative roofing systems. They will also receive permitting assistance, bidding assistance, construction management services, limited construction observation, and record of construction drawings, if needed.

The project includes the following components:

- New structural plywood roof sheathing (per structural design)
- Structural connection of roof to wall
- Above roof deck rigid insulation with nailable surface
- Weather resistive barrier underlayment
- Cedar shingle roofing to match appearance of existing (coated green.)
 - Note: The City of Fernley has asked for two alternate roofing materials to be considered for comparative pricing.
- Removal and replacement of partial wood siding to properly flash the new roof at intersecting walls
- Gutters, downspouts, and flashing
- Painting and other finishes
- Work to comply with the International Existing Building Code Alteration Level 1

The phase and task breakdown for the project is designated as follows:

- Task 1 – Project Management
- Task 2 – Architecture Subconsultant
- Task 3 – Bidding and Construction Assistance

Task 1 – Project Management

Objective

To plan, organize, direct, control, and communicate all activities outlined in this Scope of Work within the approved budget and schedule. A large portion of the project will be performed by the architect who is a subconsultant. Oversight and coordination of the architectural subconsultant is included in Project Management.

Approach

Farr West will routinely review project progress and communicate project status on a regular basis. Communication will be through email and telephone and shall occur at least monthly. This task will include the following activities:

- Project administration includes scheduling maintenance, cost control, monthly invoicing, filing, resource allocation, subconsultant management, and routine communications.

- Conducting a project kick-off meeting with Farr West, the subconsultant and City of Fernley staff.
- Team coordination, including conference calls with client and subconsultant.
- Review of subconsultant documents for completeness and adherence to client contract.
- Monitoring changes to the scope, budget, or schedule and developing change management strategies with the City of Fernley.

Deliverables

The following deliverables will be submitted under this task:

- Project schedule.
- Monthly status reports included with invoices.

Assumptions

The following assumptions apply:

- Monthly reports will be provided with timely invoices.
- Project-related issues will be identified, communicated, and resolved.
- There will not be an on-site project kickoff meeting.

Task 2 – Architectural Subconsultant

Objective

To develop plans and specifications required for permitting and bidding, and provide assistance during construction.

Approach

Farr West will manage subconsultants under Task 1 – Project Management. The architect will provide the following services:

- Complete pre-design site investigation to verify existing components.
- Complete code review.
- Review railway museum drawings.
- Prepare preliminary opinion of probable costs for three alternative roofing systems. Alternative roofing materials will include cedar shake shingles, asphalt shingles and metal. The City of Fernley will select a roofing material to proceed with final design.
- Prepare architectural and structural drawings and specifications for selected roofing material.
- Prepare opinion of probable costs for the selected roofing material prior to bidding.
- Attend one (1) review meeting with SHPO.
- Attend one (1) review meeting with City of Fernley building department.
- Attend up to three (3) design review meetings with client.
- Coordinate plan review submittal with City of Fernley building department.

- Prepare plan review response and coordinate resubmittal (if required).
- Attend pre-bid meeting on site.
- Assist with questions during bidding and preparing addendums, if required.
- Issue conformed documents for construction.
- Review contractor material submittals.
- Answer questions during construction and prepare supporting documents, if required.
- Perform up to three (3) construction site visits and a final walkthrough.

Deliverables

The following will be delivered under this task:

- One set of plans and specifications for client review and one final set for bidding and construction, including digital files (pdf).
- Wet-stamped drawings for submission to the building department.
- Conformed plans and specifications for use during construction that incorporate addendums issued during bidding, including digital files (pdf).
- Responses to questions during the bid period.
- Submittal reviews and responses to field generated questions (RFIs).

Assumptions

- Fees for building plan review and any other reviews will be paid by City of Fernley.
- City of Fernley will perform any required SHPO coordination and documentation.
- City of Fernley completed a lead paint remediation project on the building in 2018. Additional work related to lead paint or other hazardous materials is not a part of this scope.
- Improvements to structural shear wall system or the lateral load path to the foundation system are not included.
- Improvements to mechanical, plumbing, electrical, interior design and exterior improvements are not included.
- No topographic or boundary survey is included.

Task 3 – Bidding and Construction Assistance

Objective

Assist the City of Fernley during the project's bidding phase and throughout construction by providing engineering and administrative support. Ensure all aspects of the project are compliant with the design plans and specifications.

Approach

The following activities will be performed as part of this task:

- Post Documents to Farr West's PlanetBids portal which includes notification of vendors and maintenance of potential bidder's list.
- Administer and attend pre-bid meeting.
- Respond to bid questions, bid RFIs, and create addenda.
- Assist with evaluating the bids/quotes (remotely) and make recommendations to award or reject bids.
- Administer and attend bid opening.
- Conduct contract awarding activities including notice of acceptance, agreements, bonds, and insurance.
- Prepare and conduct one virtual pre-construction meeting.
- Coordinate compliance with prevailing wage statutes.
- One (1) site visit by construction manager and senior engineer.
- Prepare and distribute up to one Change Order (if deemed necessary).
- Notify Contractor, Architect, and Owner of any issues in the field to allow quick resolution.
- Answer questions, ensure work is being completed per the plans and specifications, and coordinate with all parties.
- Final walkthrough and punch list.

Deliverables

The following deliverables will be submitted under this task:

- Farr West will host the bid at PlanetBids.com.
- Responses to RFIs and bid questions.
- Recommendation to award or reject bid – electronic submittal.
- Executed contract, (1) hard copy and electronic submittal.
- Scan of all bids received, electronically submitted and hard copies delivered.
- Bid summary, bid tab, and evaluation of the two lowest apparent bidders.
- Ensure completion and transmittal of conformed documents by architect.
- Notices of substation completion and final completion.

Assumptions

The following assumptions apply:

- The bid opening will occur at the Farr West Engineering office in Reno.
- Change orders which affect the scope of work may require additional payment.
- Construction is assumed to be 90 calendar days (3 months) to reach substantial completion.
- Farr West is not responsible for the Contractor's construction means and methods; project site safety; Contractor's failure to perform; and is not authorized to stop the work of the Contractor.

- Construction observation will be performed by the architect.
- Construction will be in substantial compliance with the plans and specifications prepared by the architect.
- Logs, daily reports, meeting minutes, etc. will be provided to the construction site on an as-needed basis. All documentation will be available via a SharePoint site for all parties to retrieve through the duration of the project.
- Conformed plans and specifications, product submittal reviews, and RFIs related to the architectural design will be the responsibility of the architect.
- Record of construction drawings will not be required for this project.

**EXHIBIT B
SCHEDULE**

Notice to Proceed:	February 2022
Preliminary Cost Estimates:	March 2022
90% Design Completion:	April 2022
100% Design Completion:	May 2022
Permitting:	May 2022
Bid Set Delivery:	June 2022
Bid/Awarding Activities:	June-July 2022
Construction Duration:	September-October 2022
Project Close Out:	November 2022

**EXHIBIT C
BUDGET**

Task 1	Project Management	\$5,482
Task 2	Architectural Subconsultant	\$50,710
Task 3	Bidding Assistance and Construction Management	\$5,978
	TOTAL:	\$62,170

EXHIBIT D
ENGINEER'S RATE SCHEDULE

Title	Hourly Rate	Title	Hourly Rate
Principal Engineer	\$189	Project Coordinator	\$105
Senior Engineer II	\$182	Project Assistant I	\$80
Senior Engineer	\$170	Admin IV	\$110
Engineer IV	\$150	Admin III	\$95
Engineer III	\$140	Admin II	\$85
Engineer II	\$130	Admin I	\$75
Engineer I	\$120	Intern	\$50
Engineer in Training II	\$108	GIS Analyst II	\$150
Engineer in Training I	\$100	GIS Analyst I	\$125
Senior Electrical Engineer	\$170	GIS Specialist	\$110
Electrical Engineer III	\$150	GIS Technician II	\$100
Electrical Engineer II	\$140	GIS Technician I	\$90
Electrical Engineer I	\$130	Water Resource Specialist	\$150
Electrical and Controls Engineer in Training	\$125	Water Rights Specialist II	\$140
Electrical Engineer in Training II	\$120	Water Rights Specialist I	\$115
Electrical Engineer in Training I	\$110	Water Rights Technician III	\$100
Senior Hydrogeologist	\$176	Water Rights Technician II	\$90
Hydrogeologist II	\$125	Water Rights Technician I	\$80
Hydrogeologist I	\$110	Regulatory & Env. Specialist	\$110
Construction Inspector III	\$125	Professional Surveyor	\$155
Construction Inspector II	\$120	Senior Survey Technician	\$135
Construction Inspector I	\$110	Survey Technician III	\$125
Designer III	\$130	Survey Technician II	\$115
Designer II	\$125	Survey Technician I	\$100
Designer I	\$115	1 Man Survey Crew	\$160
Proposal Specialist	\$85	2 Man Survey Crew	\$270

Other Fees and Charges:

1. All direct project expenses, including subconsultants, will be billed at actual cost plus 15%.
2. An overtime surcharge of 25% will be applied to the hourly rates of non-salaried employees for authorized overtime work.
3. Different survey and construction inspection labor rates will apply on prevailing wage projects. Rates for prevailing wage projects will be provided on a case by case basis.



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council

REPORT THRU: Daphne Hooper, City Manager

REPORT FROM: Daphne Hooper, City Manager

FINANCIAL IMPACT:	CURRENTLY BUDGETED:	FUND/ACCOUNT:
Yes: No: X	Yes: No: X	N/A

ACTION REQUESTED: Motion

AGENDA ITEM: (For Possible Action):

(For possible action) Discussion and possible termination of the March 16, 2020, Declaration of Emergency Concerning COVID-19 pursuant to Resolution 20-006.

AGENDA ITEM BRIEF:

The City Council will be presented with information to determine if the need for a local City of Fernley emergency declaration should be continued.

RECOMMENDED MOTION:

Move to terminate the March 16, 2022, Declaration of Emergency concerning COVID-19 pursuant to Resolution 20-006.

BUSINESS IMPACT (per NRS Chapter 237):

N/A

See attached report for background, analysis, alternatives.

ALTERNATIVES:

Move to keep the Declaration of Emergency in place concerning COVID-19 in accordance with Resolution 20-006.

BACKGROUND:

On March 16, 2020, Fernley City Council adopted Resolution 20-006 declaring a state of emergency for the city of Fernley. The Resolution proclaimed and ordered that during the existence of the local state of emergency, the powers, functions, and duties of the Mayor or his designee, and the Emergency Services System of the City of Fernley shall be those prescribed by Nevada Law, by ordinances and resolutions of the city of Fernley, and by the Lyon County Emergency Operations Plan including the determination of essential functions and staff requirements as needed.

Further, it proclaimed and ordered that during the existence of the local state of emergency, the Mayor or his designee has the authority to determine the following:

- Essential functions and services provided by the city
- Staff requirements, including allowing telecommuting
- Administrative leave when reasonable, including employees impacted by childcare issues or contact with potentially affected persons
- Administration of utility late fees
- Closing of City Hall to the public
- Any other matters that are deemed necessary.

The Resolution proclaimed and ordered that the local emergency shall be deemed to continue until the Mayor or his designee or the City Council determines the state of emergency no longer exists or the threat of emergency has passed and terminates the state of emergency accordingly. Further, the Mayor or his designee is the authorized representative of the City of Fernley for the purpose of receipt, processing, and coordination of all inquiries and requirements necessary to obtain available state and federal assistance.

Fernley Municipal Code Sec. 2.02.06 - Emergencies, states:

The city manager shall have the authority to make purchases for emergencies pursuant to the purchasing policy.

In the time since the initial declaration, staff has worked in cooperation and collaboration to provide services necessary to protect the public health, safety, and welfare of the citizens of Fernley.

The COVID-19 virus is not gone, and from time to time there will be a need to respond to variants in the virus that may threaten the public health, safety, and welfare of the citizens of Fernley; however, in the 23 months since the initial declaration, the need for the control outlined in the Resolution may have passed.

With provisions provided in the Resolution and the Declaration of Local Emergency provided the ability to react quickly to enter into contracts, redirect funds, suspend procurement procedures, and address staffing needs.

The ending of the declaration of emergency does not mean that COVID-19 is not a threat to our community. With the possible increase in threat due to variants of the COVID-19 virus, if warranted a new declaration of emergency can be initiated to focus efforts on the public, health, safety, and welfare.

LEGAL IMPLICATIONS:

No legal impact.

FINANCIAL IMPLICATIONS:

No fiscal impact.

ATTACHMENTS:

None



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council

REPORT THRU: Daphne Hooper, City Manager

REPORT FROM: Daphne Hooper, City Manager

FINANCIAL IMPACT:	CURRENTLY BUDGETED:	FUND/ACCOUNT:
Yes: X No:	Yes: X No:	Funding as part of the Community Response and Resource Center.

ACTION REQUESTED: Motion

AGENDA ITEM: (For Possible Action):

(Possible Action) Approve staff to enter into negotiations and allow staff to enter into a contract with CORE construction for pre-construction services for the Community Response and Resource Center.

AGENDA ITEM BRIEF:

An RFP was published for the Construction Manager at Risk, including preconstruction. The selection committee reviewed applications, held interviews, and selected CORE Construction. Staff will complete negotiations and finalize the contract.

RECOMMENDED MOTION:

I move to approve staff to enter into negotiations and a contract with CORE Construction for preconstruction services for the Community Response and Resource Center.

BUSINESS IMPACT (per NRS Chapter 237):

N/A

See attached report for background, analysis, alternatives.

ALTERNATIVES:

Council may request additional information.

BACKGROUND:

An RFP was published November 10, 2021. Proposals were due on December 8, 2021. Four applicants submitted proposals. The selected committee reviewed and scored the applications. Three finalists were selected and interviews were completed. The committee unanimously selected CORE Construction. Staff is requesting approval to enter into negotiations with CORE and enter into a contract for the Community Response and Resource Center.

LEGAL IMPLICATIONS:

N/A

FINANCIAL IMPLICATIONS:

Funding is provided as part of the Community Response and Resource Center project.

ATTACHMENTS:

None



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: February 16, 2022

REPORT TO: Mayor and City Council

REPORT THRU: Daphne Hooper, City Manager

REPORT FROM:

FINANCIAL IMPACT:		CURRENTLY BUDGETED:		FUND/ACCOUNT:
Yes:	No:	Yes:	No:	

ACTION REQUESTED:

AGENDA ITEM: (For Possible Action):

(For possible action) Update on City of Fernley COVID-19 response including City Hall reopening, funding for state and local governments, local business re-opening plans, and local events.

AGENDA ITEM BRIEF:

RECOMMENDED MOTION:

BUSINESS IMPACT (per NRS Chapter 237):

See attached report for background, analysis, alternatives.

ALTERNATIVES:

BACKGROUND:

LEGAL IMPLICATIONS:

FINANCIAL IMPLICATIONS:

ATTACHMENTS:

None