

**MINUTES
CITY OF FALLON
55 West Williams Ave
Fallon, Nevada
November 3, 2023**

The Honorable City Council met in a special meeting on the above date in the Council Chambers, 55 West Williams Avenue, Fallon, Nevada.

Present:

Mayor Ken Tedford
Councilwoman Kelly Frost
Councilwoman Karla Kent
Councilman Paul Harmon
Chief of Staff Bob Erickson
City Attorney Mike Mackedon
Deputy City Attorney Trent deBraga
Deputy City Attorney Sean Rowe
Public Works Director Brian Byrd
Deputy Public Works Director Ryan Swirczek
Deputy Public Works Director Glen Radtke
Deputy Public Works Director Adrian Noriega
City Clerk-Treasurer Sean Richardson
Deputy City Clerk Elsie Lee
Deputy City Clerk Michael O'Neill
Chief of Police Ron Wenger
Captain Daniel Babiarz
City Engineer Derek Zimney

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

Mayor Ken Tedford led the Pledge of Allegiance.

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

City Clerk-Treasurer Sean Richardson advised that the agenda was posted in compliance with the NRS requirements.

Public Comments

Mayor Ken Tedford inquired if there were any public comments. He noted that comments are to be general in nature, not relative to any agenda items. No action may be taken on a matter raised under this item until the matter has been specifically included on an agenda as an item upon which action will be taken.

No comments were noted.

Introduction and possible proposal of Bill No. 795: An ordinance Designated by the Short Title “2023 Landfill Enterprise Revenue Bond Ordinance”; Providing for the Issuance by City of Fallon, Nevada of its Landfill Enterprise Revenue Bond, Series 2023; Providing the Form, Terms and Conditions of the Bond, the Use of its Proceeds and Providing for the sale Thereof; Securing its Payment by a Pledge of Revenues Derived From the Landfill Enterprise of the City; Ratifying Action Previously Taken Toward the Issuance Of The Bond; And Providing For Adoption as if an Emergency Exists. (For possible proposal)

Sean Richardson stated that prior to addressing this Agenda Item he would provide the Council with an overview. Agenda items 4, 5, and 6 collectively enable the city to issue a bond to support the City’s Landfill Enterprise in an amount, not to exceed, \$4,110,000.00. The proceeds from the bonds shall be used to offset the costs of operating the Landfill. Primarily, these proceeds are intended to allow for capital improvements for the Landfill to support its continued and expanded operations. To issue the bond, the Council must adopt an ordinance. A copy of the Ordinance has been provided in your Agenda Packet. During Agenda Item 4, the proposed ordinance, called a bill at this point of process, is read by title and summary to the City Council, after which, I would need a councilmember to propose the bill. Because the bill deals with the sale and issuance of a bond, it may proceed as though an emergency exists. Therefore, in Agenda Item 5, the Council commences a public hearing on the bill. Following any public comment or discussion, Agenda Item 6 brings the bill back to the Council for consideration and possible adoption of the bill as an ordinance of the City. For this bill to be adopted in this procedural manner requires the consent of all members. Present here today, for this special meeting, is Scott Shaver, our bond council. Unless there are any questions, we can proceed with Agenda Item 4 and the introduction of the bill. Bill 795 was included in your packet. Following the call for this special meeting, our consultant and bond council amended the language of the bill to reflect a few necessary changes. These amendments are set forth in a redlined copy of the bill that staff have provided to the Council and public this morning. As you can see, from the redlined copy, the substantive changes are as follows: The amount to exceed has been changed from \$4,100,000.00 to \$4,110,000.00, on the advice of our Bond Consultant Marty Johnson. Section 39, added by Bond Counsel, makes it explicit that the City will not be able to use proceeds from this bond to service other securities. The proposed bill will now be read by Title and Summary to the Council: 795, titled An Ordinance Designated by the Short Title “2023 Landfill Enterprise Revenue Bond Ordinance”; Providing for the Issuance by City Of Fallon, Nevada of its Landfill Enterprise Revenue Bond, Series 2023; Providing the Form, Terms and Conditions of the Bond, the Use of its Proceeds and Providing for the Sale Thereof; Securing its Payment by a Pledge of Revenues Derived From The Landfill Enterprise of the City; Ratifying Action Previously Taken Toward the Issuance Of The Bond; And Providing For Adoption as if an Emergency Exists. By way of summary, this is an ordinance authorizing the issuance of the City of Fallon, Nevada Landfill Enterprise Revenue Bond, Series 2023 and providing other matters related thereto. Having introduced the bill, the chair may now ask for a council member to propose this ordinance.

Councilman Harmon introduced the ordinance, as read by City Clerk Richardson, and proposed the bill.

Public Hearing on Bill No.795: An Ordinance Designated by the Short Title “2023 Landfill Enterprise Revenue Bond Ordinance”; Providing for the Issuance by City of Fallon, Nevada of its Landfill Enterprise Revenue Bond, Series 2023; Providing the Form,

Terms and Conditions of the Bond, the Use of its Proceeds and Providing for the Sale Thereof; Securing its Payment by Pledge of Revenues Derived From The Landfill Enterprise of the City; Ratifying Action Previously Taken Toward the Issuance Of The Bond; And Providing For Adoption as if an Emergency Exists. (For discussion only)

Mayor Tedford inquired if there were any public comments.

No comments were noted.

Councilwoman Kent inquired on the terms of the loan.

City Clerk Treasurer Sean Richardson stated we are in the process and haven't hit the bank for process or terms at this point.

Councilwoman Kent inquired if this was for the two pieces of equipment at the landfill that were lost.

City Clerk Treasurer Sean Richardson stated that it is definitely for one right now. The City's Landfill suffered serious damage when its compactor was damaged by fire on August 30, 2023. We are anticipating replacing that piece of equipment. We also have multiple pieces of equipment out there that are near the end of their useful life. The additional capital would provide replacement or make an overhaul of that equipment.

Councilman Harmon stated that he was curious about the change in the amount of the money requested. What is the significance of that \$10,000.00?

City Clerk Treasurer Sean Richardson stated that before this ordinance, our consultant goes out and talks to banks. We get bids on interest rates, even though we don't strictly look at interest rates, we also look at pre-payment penalties. If we were to choose a pre-payment option, where we have the option to pre-pay at any time versus waiting ten (10) years from now before we can refinance or pay it off, we want to have that option. The Bond Market right now is very unstable and has gone up quickly and fast. We felt that if we can pay a little bit of substantial up-front bank fee, that would allow us to potentially refinance or refund this bond in a couple of years, we will make that additional bank fee back quickly. This gives us that option during the application process.

Deputy City Attorney Rowe stated that he would like to make some clarification comments. This is only the advice of our consultant, as he is going out, and trying to find terms and the banks that will issue these for more terms. This will give us better options. The use of the proceeds from this bond can be used intently for any landfill operations and primarily for capital purchases. Its use is not strictly confined to just those purchases mentioned.

Mayor Tedford inquired if there were any further questions or comments from the Council or the public.

No further comments were noted.

Consideration and possible adoption of Bill No. 795 as Ordinance No. 777: An Ordinance Designated by the Short Title "2023 Landfill Enterprise Revenue Bond Ordinance"; Providing for the Issuance by City of Fallon, Nevada of its Landfill Enterprise Revenue Bond, Series 2023: Providing the Form, Terms and Conditions of the Bond, the Use of its Proceeds and Providing for the Sale Thereof; Securing its Payment by a Pledge of Revenues Derived From The Landfill Enterprise of the City; Ratifying Action Previously Taken Toward the Issuance Of The Bond; And Providing For Adoption as if an Emergency Exists. (For possible Action)

City Clerk Treasurer Sean Richardson stated that the City’s Landfill suffered serious damage when its compactor was damaged by a fire on August 30, 2023. Adoption of Bill Number 795 as Ordinance Number 777 will allow the City to issue revenue bonds to fund the procurement of a new compactor as well as acquire, improve, equip, operate, and otherwise maintain the City’s Landfill Enterprise. If adopted, the ordinance authorizes the City Clerk Treasurer to solicit bids for the Bond and accept a binding bid for the Bond from the best bidder consistent with the terms and conditions required by this Ordinance. City Staff recommend adoption of the amended Ordinance for the purpose of obtaining important funding for the Landfill Enterprise.

Mayor Tedford inquired if there were any public comments.

No comments were noted.

Councilman Harmon motioned to approve the adoption of Bill NO. 795 as Ordinance No. 777: An Ordinance Designated by the Short Title “2023 Landfill Enterprise Revenue Bond Ordinance”; Providing for the Issuance by City of Fallon, Nevada of its Landfill Enterprise Revenue Bond, Series 2023: Providing the Form, Terms and Conditions of the Bond, the Use of its Proceeds and Providing for the Sale Thereof; Securing its Payment by a Pledge of Revenues Derived From The Landfill Enterprise of the City; Ratifying Action Previously Taken Toward the Issuance Of The Bond; And Providing For Adoption as if an Emergency Exists; seconded by Councilwoman Frost and approved with a 3-0 vote by the Council.

Public Comments

Mayor Tedford inquired if there were any public comments.

No comments were noted.

Council and Staff Reports

No further reports were noted.

Executive Session

Mayor Tedford tabled the executive session, as it was not needed at this time.

Adjournment

There being no further business to come before the Council, Mayor Tedford adjourned the meeting at 9:22 a.m.

Mayor Ken Tedford

Attest: _____
Sean C. Richardson, City Clerk-Treasurer