

Summary - a resolution authorizing medium-term obligations and the forwarding of materials to the State Department of Taxation.

RESOLUTION NO. 24-01

A RESOLUTION AUTHORIZING MEDIUM-TERM OBLIGATIONS IN AN AMOUNT OF UP TO \$10,000,000 TO FINANCE ALL OR A PORTION OF THE COST OF WATER PROJECTS, SEWER PROJECTS, AIRPORT PROJECTS, STREET IMPROVEMENTS, PARK IMPROVEMENTS, AND CITY HALL UPGRADES; DIRECTING THE OFFICERS OF THE CITY TO FORWARD MATERIALS TO THE DEPARTMENT OF TAXATION OF THE STATE OF NEVADA; PROVIDING CERTAIN DETAILS IN CONNECTION THEREWITH; AUTHORIZING THE CITY STAFF TO ARRANGE THE TERMS OF SUCH MEDIUM-TERM OBLIGATIONS; AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, the City Council of the City of Fallon, Nevada (the “Council,” “City,” and “State,” respectively) proposes to incur medium-term obligations of the City in an amount up to \$10,000,000 pursuant to Nevada Revised Statutes (“NRS”) 350.087 to 350.095, inclusive (the “Project Act”) and NRS 350.500 to 350.720, inclusive (the “Bond Act”), to all or a portion of the cost of water projects, sewer projects, airport projects, street improvements, park improvements, and City Hall upgrades;

WHEREAS, the Council has determined that legally available funds of the City will at least equal the amount required in each year for the payment of interest and principal on the medium-term obligations;

WHEREAS, NRS 350.087 requires that a notice of intention to authorize medium-term obligations be published not less than 10 days prior to the consideration of a resolution authorizing a medium-term obligations;

WHEREAS, a notice of intention to act upon the resolution authorizing the medium-term obligations has been duly published in a newspaper of general circulation in the City not less than 10 days prior to the date of a public hearing thereon, and such public hearing was held prior to adoption of this resolution; and

WHEREAS, all comments made at the public hearing have been duly considered by the Council and the minutes of such public hearing are attached hereto as Exhibit “C.”

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FALLON, NEVADA:

Section 1. This resolution is hereby designated by the short title the “2023 Medium-Term Authorization Resolution” (the “Resolution”).

Section 2. The Council hereby finds and determines that the public interest requires medium-term obligations to finance the costs of the Project in an amount not exceeding \$10,000,000.

Section 3. The facts upon which the finding stated in Section 2 above are:

(a) There is a continuing need to complete certain water projects, sewer projects, airport projects, street improvements, park improvements, and City Hall upgrades;

(b) It is in the best interests of the City and its inhabitants, and it would best serve the public interest and the safety, health and welfare of the City and its inhabitants, if the Project is now accomplished, thereby assisting in alleviating the needs mentioned in (a) above; and

(c) It is not feasible to finance the Project from other funds of the City, among other reasons, because of restraints on the City's budget for the current fiscal year and other demands on, and needs for, existing funds of the City.

Section 4. The City proposes to borrow a sum not to exceed \$10,000,000 at an annual interest rate or rates estimated to be 5.50% to be repaid over a period of not more than 10 years to be evidenced by the issuance by the City of medium-term negotiable notes, agreements or bonds in one or more series (the “Obligations”). The Obligations will mature not later than 10 years after the date or dates of issuance of each series of Obligations, said term being less than the estimated useful life of the assets to be financed with the Obligations. The interest rate for the Obligations shall not exceed by more than 3% the “Index of Twenty Bonds” which is most recently published in The Bond Buyer before bids are received or a negotiated offer is accepted. Such Obligations shall be issued on such other terms and

conditions as the Council determines, all as provided in the Project Act, the Bond Act, and as specified by the ordinance to be hereafter adopted by the Council (the “Ordinance”).

Section 5. The Obligations shall not be paid in whole or in part from a levy of a special tax which is exempt from the limitations on the levy of ad valorem tax, but shall be paid from other legally available funds of the City.

Section 6. The sources of revenue the City anticipates to be used to repay the Bond are available monies in the City’s Water Enterprise Fund in the estimated annual amount of \$299,136, monies in the City’s Sewer Enterprise Fund in the estimated annual amount of \$356,114, monies in the City’s Airport Fund in the estimated annual amount of \$156,690, and monies in the City’s General Fund in the estimated annual amount of \$612,516, which amounts are anticipated to be sufficient for that purpose.

Section 7. The City Clerk and Treasurer of the City (the “Treasurer”) or his designee is hereby authorized to arrange the terms of the Obligations in an amount not to exceed \$10,000,000 to finance the Project, in accordance with the Project Act and the Bond Act.

Section 8. The officers of the City be and the same hereby are authorized and directed to take all action necessary to effectuate the provisions of this Resolution, including, without limitation, forwarding all necessary documents to the Executive Director, Department of Taxation, Carson City, Nevada, and amending the City’s capital improvement plan, if necessary.

Section 9. The officers of the City be and the same hereby are authorized and directed to take all action necessary to effectuate the provisions of this Resolution, including, without limitation, updating the City's capital improvement plan, if required, to reflect the Project, forwarding all necessary documents to the Executive Director, Department of Taxation, Carson City, Nevada, and assembling financial and other information concerning the City, the Project, and the Obligations.

Section 10. The Treasurer shall, after arranging for the sale of the Obligations, and after approval of the Obligations by the Executive Director of the Department of Taxation of the State of Nevada, present the proposed terms of the Obligations to the Council for its approval by adoption of the Ordinance..

Section 11. The officers of the City be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution.

Section 12. All resolutions, or parts thereof, in conflict with the provisions of this Resolution, are hereby repealed to the extent only of such inconsistency. This repealer shall not be constructed to revive any resolution, or part thereof, heretofore repealed.

Section 13. If any section, paragraph, clause or other provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or other provision shall not affect any of the remaining provisions of this Resolution.

Section 14. This Resolution shall become effective upon the approval by the Executive Director of the Department of Taxation of the State of Nevada as provided in NRS 350.089.

**PASSED AND ADOPTED AND APPROVED BY AN AFFIRMATIVE VOTE
OF AT LEAST TWO-THIRDS OF THE MEMBERS OF THE CITY COUNCIL OF THE
CITY OF FALLON, NEVADA, THIS NOVEMBER 28, 2023.**

(SEAL)

Mayor

Attest:

City Clerk

Approved as to Form:

By: _____
City Attorney

STATE OF NEVADA)
)
CHURCHILL COUNTY) ss.
)
CITY OF FALLON)

I, Sean Richardson, the duly chosen and qualified City Clerk and Treasurer of the City of Fallon (the “City”), in the State of Nevada, do hereby certify:

1. The foregoing pages constitute a true, correct, complete and compared copy of a resolution adopted by the City Council of the City (the “Council”) at a meeting held on November 28, 2023.

2. The adoption of the resolution was duly moved and seconded and the resolution was adopted by an affirmative vote of at least two-thirds majority of the members of Council as follows:

Those Voting Aye:

Those Voting Nay:

Those Absent:

3. The members of the Council voted on the final passage of the ordinance as set forth following the resolution.

4. All members of the Council were given due and proper notice of the meeting held on November 28, 2023.

5. Public notice of such meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS 241.020.

6. Prior to 9:00 a.m. at least 3 working days before such meeting, such notice was mailed to each person, if any, who has requested notices of meetings of the Council in compliance with NRS 241.020(3)(b) by United States Mail, or if feasible and agreed to by the requestor, by electronic mail.

7. A copy of the notice so given of the meeting of the Council held on November 28, 2023 is attached to this certificate as Exhibit A.

6. A copy of such notice so given of the meeting of the Council on November 28, 2023 is attached to this certificate as Exhibit “A.” A copy of the affidavit of publication of the

notice of public hearing is attached hereto as Exhibit “B,” and a copy of the minutes of the public hearing held on November 28, 2023, prior to adoption of the resolution is attached hereto as Exhibit “C.”

IN WITNESS WHEREOF, I have hereunto set my hand on this November 28, 2023.

(SEAL)

City Clerk and Treasurer

EXHIBIT "A"

(Attach Copy of Notice of Meeting)

EXHIBIT "B"

(Attach Affidavit of Publication and Notice of Public Hearing)

EXHIBIT "C"
(Minutes of Public Hearing)