

**MINUTES
CITY OF FALLON
55 West Williams Ave
Fallon, Nevada
May 1, 2024**

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
Chief of Staff Bob Erickson
City Attorney Mike Mackedon
Deputy City Attorney Trent deBraga
Deputy City Attorney Sean Rowe
Chief Ron Wenger
Captain John Riley
Captain Daniel Babiarz
City Clerk Treasurer Sean Richardson
Deputy City Clerk Elsie Lee
Public Works Director Brian Byrd
Deputy Public Works Marco Guerrero
Deputy City Clerk Michael O'Neill
Deputy Public Works Adrian Noriega
Engineer Derek Zimney
Director of Tourism Jane Moon
Emergency Manager Steve Endacott

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

Mayor Tedford led the Pledge of Allegiance.

Mayor 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.

Mayor Tedford stated that Councilman Harmon was out-of-town and unable to attend the meeting.

Public Comments

Mayor 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.

Consideration and possible action to approve the contract for the purchase of City owned property, identified as Churchill County Assessor's Parcel No. 001-781-19, consisting of approximately 10.59 acres, by PDC RENO/LV/PHX LPIV, LLC and/or its assigns, in the amount of Six Hundred Thirty-Five Thousand Dollars (\$635,000) and for other matters properly related thereto.

Deputy City Attorney Trent deBraga stated on January 18, 2022, JOHNSON|PERKINS|GRIFFIN conducted an appraisal of the New River Business Park. The City Council determined that the subject property, depicted in Exhibit A attached to the agenda, should be listed at \$635,000. The City has received an offer from PDC RENO/LV/PHX LPIV, LLC, in the amount of \$635,000, to purchase the City's real property located within the business park and identified as Churchill County Assessor's Parcel No. 001-781-19. The contract and its proposed terms are attached to this agenda item. The City has received information that the buyer intends to develop and use the property as a distribution facility. If approved, the Mayor will execute the contract on behalf of the City and the transaction will proceed to escrow. In regard to item 5, what this pertains to is a Resolution authorizing the intended use of the buyer for the Parcel located in the Business Park. In 2004, the City Council adopted a Resolution establishing covenants and restrictions, which established both permitted uses within the Business Park, and prohibited uses. In addition, our City code provides for Light Industrial District permitted uses. The proposed, intended use, of this parcel is not specifically permitted by the Resolution or our Zoning Ordinance, nor is it specifically prohibited. So, what we are looking to do, with the Resolution and the Code, will allow the City Council to approve other uses. What the buyer is intending to do here is to operate this as a Distribution Facility. I will introduce Sam Bailey, who is here to discuss the proposed project and the intended use.

Sam Bailey, the Economic Development Policy Manager of Amazon greeted the Council. We are the tenant considering this parcel and appreciate your consideration as we look to site a last-mile delivery station, here within the City of Fallon, for this specific parcel. Happy to answer any questions or provide a greater narrative on the project scope and answer any questions regarding Items 4 and 5 on the agenda.

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

Councilwoman Kent inquired on the number of employees that they are expecting to hire, and if this number includes the delivery drivers.

Sam Bailey stated that right now, at this phase, they anticipate the creation of 25 full and part-time jobs. This is not inclusive to our delivery service partners, or our delivery drivers, at this time. Once the building is constructed, as we are near completion, we'll assess the capacity, to determine what the total number of net new full-time and part-time jobs is, as well as our delivery drivers. So, at this time, we're offering a conservative estimate, so that we feel confident that we can meet it. We expect that number to be greater than that. Background on those jobs. We do offer benefits starting day 1, for our full and part-time associates, which include health care, dental, as well as a 4% match in their 401k retirement. Those associates who stay with us 90-days, full or part-time, all benefit from our Career Choice Program, where Amazon will pay for a variety of upscaling measures. That could be completing their GED, English as their 2nd Language Certification, industry recognized credentials, as well as paying

for them to pursue their Associate Degree or Bachelor's Degree in a field of their choosing.

Councilwoman Kent inquired if the distribution hours would be conducted from 8:00 am-5:00 pm.

Sam Bailey stated that the distribution hours would function beyond 8:00 am-5:00 pm. Typically, what will happen with sites like this, as a last-mile delivery station, the site will receive a line hauler semitruck load that will come in from the Las Vegas valley or from Reno. That will bring that volume in, deposit it at the site, and it will then be sorted. So, completed customer boxes, that may show up on your doorstep, will be sorted based on geographic routes, to service about a 45-60-minute drive time, from the site here in Fallon. Those will be parceled and sent out. What I will say, as post-commuting time. So, that will be sent out between 9:00 – 10:00 am, each morning. So, we anticipate that we will have earlier hours to manage that sorting of materials at the site. Most of the strong activity at the site will occur in the morning time between 5:00 am – 10:00 am.

Councilwoman Frost inquired on how many semitrucks would be coming in to deliver packages, from Las Vegas.

Sam Bailey stated that we have been sharing some of the traffic information with the City. We are looking to finalize our total capacity to understand what our volume is. That is still an ongoing study that we are doing, that we will be happy to share with the City. Just to provide you with what our total traffic impact will be. I believe we have submitted some high-level numbers to the City, at this time, but we will follow up with an updated project as we assess what capacity we are currently needing, when forecasting into the future years.

Councilwoman Frost inquired if this would also include the outgoing semitrucks.

Sam Bailey stated that was correct. For a site like this, there will be a blend, we will have a delivery service partner, which will operate our Amazon branded vans. These are Sprinter or Ram vans, that will conduct deliveries. On top of that, we also offer something called Amazon Flex. So, let's say an individual wants to sign up, it might be a student, it might be a parent, who says, I want to make money on the side. I can sign up, and become a Flex Driver, where I am delivering those packages out of my own personal vehicle. So, we will offer a blend of that, and allow us to utilize both Amazon branded vans, as well as individuals who would like to utilize their own personal vehicles to conduct deliveries. For that, we provide training, and the individual can pull out their phones, sign up for different shifts, depending on the availability, and then be able to conduct those deliveries at their leisure.

Mayor Tedford inquired on an elaboration on the Flex program. How do you treat those individuals as employees?

Sam Bailey stated that those individuals are not employees, like the full and part-time associates. They are gig-workers. They would sign up and participate in less than 20 hours of work at the site conducting those deliveries. Generally, someone that would be conducting those deliveries, using their personal vehicle, may have less than 20 packages in their vehicle. So, they are going out for a short amount of time, to deliver along a dedicated route. We often encourage those who sign up for Flex to look at our part-time and full-time opportunities, where they do receive full benefits, a more structured schedule, and competitive wages. We offer Flex, because it is also highly in demand, we found, in several markets, across the United States, where people want the flexibility, to be able to pick up some hours, make extra money, but may not want to commit to a 40-hour week or 20-hour week job. Our goal is that if we have full and part-time associates, we can best plan our capacity, but Flex also allows us to handle changes in capacity, as well as other delivery measures.

Mayor Tedford reiterated that the Flex program is less than 1,040 hours a year. So, they have no benefits, they are just getting extra money and are using their own vehicles and are

paying for their own gas. You have that successfully used around the Country?

Sam Bailey confirmed the Mayor's comment. That program has been successfully deployed around the United States. We have found that it has allowed us to offer a blend, but also meet individuals where they are, in terms of what they are looking for. We find this to be very popular with working parents and students. Especially, to be able to fill in. It might be that they can't commit to 20 hours a week, but they have a 4-hour slot that needs to be filled, and they can go make money doing that. Similar to what an Uber or Lyft driver might do as well.

Councilwoman Frost inquired if the Flex employees receive an hourly wage, or one lump sum upon completion of the route.

Sam Bailey stated that the Flex drivers receive an hourly rate, as well as a rate based on the number of deliveries that are completed. So, that is calculated, and they have transparency into what that amount is. So, when they sign up for that shift, they know, at minimum, what that amount will be.

Mayor Tedford inquired if the Flex drivers are included in the given number of 25 employees, to begin.

Sam Bailey stated they are not included in that number. The numbers of the 25 full and part-time associates, I am counting as our Amazon Associates. Where Flex drivers are not full-time or part-time employees of Amazon. So, again, at this point in time we want to offer a conservative estimate, as we are just discussing the build-out of the site. As we start to assess where our capacity will be, come the delivery of the building, we believe that number will be greater. You have a phenomenal staff that has been working with us. I have covered 7 states supporting economic development efforts. This is one of the most business-friendly and efficient processes I have experienced in terms of siting a new opportunity. We understand that you have identified this site as vital for your community's economic future, which we want to be partner in, so know that this is not just an approval, and you won't see Amazon. We are your neighbors, we have employees that are close by here and commute to Reno, right now. We are hoping that we offer them an opportunity to stay here, locally, and work here in the City of Fallon. We want this to be a long-term partnership. We also want to make sure that we align best with your community's ordinances. Both Item 4, in terms of the approval and purchase agreement of the site, is vital to our ability to then commence construction, at this site, and become an employer, in the City of Fallon. Item 5 is really to make sure that we align those uses, and at a later date and time, there isn't a challenge to us conducting distribution. So, we appreciate your team, both from your City Engineer, Chief of Staff, Planning Department, as well as your City Attorney's office, for working with us to identify that happy medium, where we can both be able to purchase this property, to commence economic activity that creates jobs, and invest over 10 million dollars in this project, but also to make sure that we align long-term in the community, in terms of our use. Again, thank you very much to the community for supporting this effort.

Mayor Tedford stated that he appreciates how well Sam worked with staff, all along. Thank you. We invested in a Business Park, to bring business here, so we always have to keep that in mind when we are handling an item that is going in the Business Park. We wouldn't have these opportunities if we didn't build a business park. So, I am pretty grateful to the Council, we had at the time, approved the vision of building that park. Are there any further comments or questions from the public or Council?

Councilwoman Frost stated that she appreciates those that have sat in the seats before herself, and Councilwoman Kent, and their foresight in creating the Business Park. I think this is going to be a great project for the City and for the community as a whole.

No further comments were noted.

Councilwoman Frost motioned to approve the contract for the purchase of City owned

property, identified as Churchill County Assessor's Parcel No. 001-781-19, consisting of approximately 10.59 acres, by PDC RENO/LV/PHX LPIV, LLC and/or its assigns, in the amount of Six Hundred Thirty-Five Thousand Dollars (\$635,000) and for other matters properly related thereto; seconded by Councilwoman Kent and approved with a 2-0 vote by the Council.

Consideration and possible action to approve Resolution No. 24-04, a resolution approving PDC RENO/LV/PHX LPIV, LLC and/or its assigns intended use of the real property identified as Churchill County Assessor's Parcel No. 001-781-19 as a distribution facility.

Deputy City Attorney Trent deBraga stated that he would like to add that in the Resolution itself, the intended use is a Distribution Facility. That definition is set forth in the resolution.

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

Councilwoman Frost inquired if they still have to follow, and be in line, with all other City Ordinances.

Deputy City Attorney Trent deBraga stated that was correct. As you will see there, in the definition, there is some language in there, to the extent otherwise consistent with applicable regulations and/or law. So, to answer your question, yes, they would still have to comply with regulation and law.

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

No further comments were noted.

Councilwoman Kent motioned to approve Resolution No. 24-04, a resolution approving PDC RENO/LV/PHX LPIV, LLC and/or its assigns intended use of the real property identified as Churchill County Assessor's Parcel No. 001-781-19 as a distribution facility; seconded by Councilwoman Frost and approved with a 2-0 vote by the Council.

Consideration of an application by Shane Mathias for a mobile food vendor license for Big Blue Q of Tahoe.

Deputy City Clerk Elsie Lee stated Shane Mathias, owner of Big Blue Q of Tahoe has made an application for a mobile food vendor license for Big Blue Q of Tahoe. A mobile food vendor license is a privileged license that allows the licensee to sell food from a motor vehicle, or other type of food service conveyance, for human consumption and which is used to sell and dispense food or beverages to customers. The application has been reviewed by Deputy City Attorney Trent deBraga, City Engineer Derek Zimney, Chief Ron Wenger, and Deputy City Clerk Elsie Lee and has been recommended for approval with conditions. You can see on the approval form; those conditions are that they obtain all necessary health permits from the Central Nevada Health District.

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

No comments were noted.

Councilwoman Kent motioned to approve the application by Shane Mathias for a mobile food vendor license for Big Blue Q of Tahoe; seconded by Councilwoman Frost and approved with a 2-0 vote by the Council.

Consideration of an application by Cori Egger for a mobile food vendor license for Fallon Catering LLC.

Deputy City Clerk Elsie Lee stated that Cori Egger, owner of Fallon Catering LLC has made an application for a mobile food vendor license for Fallon Catering LLC. A mobile food vendor license is a privileged license that allows the licensee to sell food from a motor vehicle, or other type of food service conveyance, for human consumption and which is used to sell and dispense food or beverages to customers. The application has been reviewed by Deputy City Attorney Trent deBraga, City Engineer Derek Zimney, Chief Ron Wenger, and Deputy City Clerk Elsie Lee and has been recommended for approval with conditions. These are the same conditions as I stated for the previous applicant, that they obtain the appropriate Central Nevada Health District permits.

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

Councilwoman Frost stated that she sees an approval in the application. Have they already been approved?

Deputy City Clerk Elsie Lee stated that the approval is for their catering portion of the business, not for their mobile vendor license.

Mayor Tedford stated that he believes the Central Nevada Health District will be on site the day of the event.

Deputy City Clerk Elsie Lee confirmed the Mayor's statement.

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

No further comments were noted.

Councilwoman Frost motioned to approve the application by Cori Egger for a mobile food vendor license for Fallon Catering LLC; seconded by Councilwoman Kent and approved with a 2-0 vote by the Council.

Consideration of application by Jason Charleton for a mobile food vendor license for Slater's Ding-a-Wing.

Deputy City Clerk Elsie Lee stated that Jason Charleton, owner of Slater's Ding-a-Wing has made an application for a mobile food vendor license for Slater's Ding-a-Wing. A mobile food vendor license is a privileged license that allows the licensee to sell food from a motor vehicle, or other type of food service conveyance, for human consumption and which is used to sell and dispense food or beverages to customers. The application has been reviewed by Deputy City Attorney Trent deBraga, City Engineer Derek Zimney, Chief Ron Wenger, and Deputy City Clerk Elsie Lee and has been recommended for approval with conditions. Again, that they obtain the necessary health permits from the Central Nevada Health District.

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

No comments were noted.

Councilwoman Kent motioned to approve the application by Jason Charleton for a mobile food vendor license for Slater's Ding-a-Wing; seconded by Councilwoman Frost and approved with a 2-0 vote by the Council.

Consideration and possible approval of contract with Oasis Online to provide City

of Fallon with Information Systems Management Services in the base amount of One Hundred Thirty-Three Thousand Two Hundred Dollars (\$133,200) and additional hourly fees as may become necessary pursuant to the terms of the contract.

Deputy City Clerk Michael O'Neill stated that Oasis Online has provided the City of Fallon with Information Systems Management service since September 2021 and the original contract for their services has expired. The new contract between the City and Oasis Online is before you for your consideration. This contract is materially the same as the previous contract with two exceptions. An increase to the base annual cost of \$109,992 to \$133,200, an increase of \$23,208, and the new contract now covers Information Systems Management services for the Police Department. Previously, support for the Police Department's Information System Management needs was specifically excluded from the services Oasis Online provided. Given the general increase in costs over the past two years and seven months, combined with the inclusion of the Police Department in the renewal contract, the increase fee is reasonable. The City expects to recoup the increase to the annual fee via a reduction of costs from other vendors supporting the Police Department and labor savings as Oasis Online takes on tasks that historically Police Department staff have been performing, predominantly as overtime hours.

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

Councilwoman Frost inquired if Oasis Online has done other law enforcement work, in other jurisdictions. Do they have experience in this department?

Deputy Public Works Michael O'Neill stated they do. They have gone through the work to become certified.

Dan Slentz with Oasis Online greeted the Council. Yes, we currently work with Esmerelda County Sheriff, City of Elko PD, and Mineral County Sheriff's Department.

Councilwoman Kent stated that she is on the Cyber Security Task Force. We had a meeting 2 weeks ago, and just the level that Oasis Online has gotten the City to, since the contract started in 2021, is amazing. Plus, the cohesiveness and understanding of all the members of the Task Force and the Police Department, all being on the same page, was very good to see. Thank you very much.

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

No further comments were noted.

Councilwoman Kent motioned to approve the contract with Oasis Online to provide City of Fallon with Information Systems Management Services in the base amount of One Hundred Thirty-Three Thousand Two Hundred Dollars (\$133,200) and additional hourly fees as may become necessary pursuant to the terms of the contract; seconded by Councilwoman Frost and approved with a 2-0 vote by the Council.

Public Comments

Mayor Tedford inquired if there were any public comments.

No comments were noted.

Council and Staff Reports

Mayor Tedford inquired if there were any Council or staff reports.

Deputy City Attorney Trent deBraga wanted to echo the earlier stated comments. I

know from the City staff level, we were extremely grateful to have had the opportunity to work with Sam, and his team. I know there was kind of a lot of moving parts, multiple attorneys, and developers. Sam, and his team, have come out to Fallon, a few times, and the process has been seamless. I credit that to Sam, and his team. We just want to say thank you to them, and we appreciate working with them, and look forward to working with them in the future.

Mayor Tedford confirmed Deputy City Attorney Trent deBraga's statement. Sam, we have worked with a lot of large corporations over the years, and some have ended up developing in Fallon, and some haven't. Sometimes, those aren't always the right fit. Working with you all, these past few months, has really been nice for myself, and for staff. There have been a lot of moving parts and I want to tell you; it was very nice working with Amazon. For how big corporations go, this one could have been a whole lot more difficult than it was. I think that you need to send my sentiments, as Mayor, to the head of the team that you were working with and those various individuals that we have touched base with. Thank you for that, and we really do welcome you to the business community in Fallon. Hopefully, you will be a part of it for a long time.

No further reports were noted.

Executive Session

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

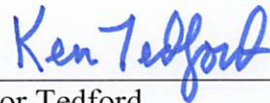
Adjournment

There being no further business to come before the Council, Mayor Tedford adjourned the meeting at 9:32 a.m.

Attest:



Sean C. Richardson, City Clerk-Treasurer



Mayor Tedford