

**MINUTES
CITY OF FALLON
55 West Williams Avenue
Fallon, Nevada
November 29, 2007**

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

Present:

Mayor Ken Tedford, Jr.
City Councilman, Willis Swan, Jr.
City Councilman, Robert Erickson
City Councilman, John Tewell
City Engineer, Larry White
City Clerk, Gary Cordes
City Attorney, Mike Mackedon
Police Lieutenant, Frank Shyne

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

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

City Clerk Cordes advised the agenda was posted in compliance with NRS 241.

Consideration and possible action regarding letter of intent to purchase a transfer station and real property and authorization to enter into negotiations to complete an agreement to purchase a transfer station and real property by the City of Fallon

City Attorney Mackedon explained that Public Works Director Jerry Mayfield has been in contact with representatives of Waste Management of Nevada. Waste Management made a decision to sell the transfer station and land, approximately four acres, which they own. The transfer station is fully operational and permitted. The appraiser, PGP Valuation, Inc., established a value of \$150,000.00 for the site and \$60,000.00 for the buildings. The owners are suggesting additional considerations to the value of the site: it is already a permitted facility, there is additional public business that would use the facility and a non-compete clause for collection within a 30 mile radius of the transfer station. As a matter of fact, the City does not collect garbage outside of its incorporated limits; so the last consideration almost does not need to be made. He suggested that, if the concept of acquiring the transfer station is in the best interest of the City, the Council could authorize the City Attorney's Office to issue a letter of intent to negotiate and perform due diligence as an appropriate buyer. This would allow us to enter into negotiations immediately. A contract would not be binding; as it would need to be presented to the Council for consideration and approval. We should make every effort to acquire this facility as soon as possible.

Mayor Tedford noted that his position, from when he was on the Council, was that we wanted a central location for a landfill for efficiency and economy of use for our citizens. The landfill is sited at its current location, 18 miles South of the City, so we are attempting to locate a transfer station. City Clerk Cordes is reviewing the efficiency of this plan. Our garbage trucks

make a 36 mile roundtrip to the landfill, a transfer station would save time and fuel. The trash truck is used throughout the City to pick up large items and it is very inefficient to offload into roll-offs; the truck would be able to go directly to the transfer station to offload. This could be a win-win situation for us. It also indirectly affects citizens via illegal dumping. He added that he pressed City Attorney Mackedon and Staff to push negotiations. He would like to move quickly on this. Churchill County does not have mandatory garbage pickup. Our landfill logs do not show an increase in yardage since October 1st when the transfer station closed. He did not know where it was all going but we know some of it is coming to the City.

City Attorney Mackedon added that we wanted this Special Council meeting to secure the exclusive right to negotiate; perhaps good faith funds could be issued and applied to the sale.

Mayor Tedford suggested \$10,000.00 up front and an additional \$10,000.00 in 30 days. He would like to see this sale complete in 30 days, even though it is the holiday season. This earnest money would show that we are serious and want to negotiate immediately.

Mayor Tedford inquired if the Council had any questions or comments.

Councilman Erickson concurred with Mayor Tedford's comments; adding that his analysis was thorough. We closed our other transfer station 13 or 14 years ago, noting that a transfer station was key to our operation. He felt that a centrally located transfer station would benefit our operation tremendously and help keep Churchill County clean. This gives all citizens a place to take their garbage.

Councilman Swan added that this is a great opportunity and we should move ahead with negotiations.

Councilman Tewell noted that he was disappointed that we were not able to open a transfer station in the City but this is a good opportunity.

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

Ms. Christy Lattin of the Lahontan Valley News asked which party started these discussions.

Mayor Tedford replied that Jerry Mayfield heard about it and followed up.

Ms. Lattin asked if Churchill County was interested.

Mayor Tedford said no.

Councilman Erickson explained that, years ago, the County operated nine unmanned landfills and the City operated one manned landfill. EPA regulations mandated that they be closed. At that time, the City and County had a number of meetings. It was decided that since the City had a manned landfill, we would take the lead. We pursued a landfill, which is the current one at Russell Pass. There are other examples of City/County cooperation such as the Fire Department.

Mayor Tedford added that the old landfills were also free to the public when they took their trash there. City residents received pickup at their homes and paid for that pickup. There was also a unanimous vote to operate a landfill and not be subject to a monopoly.

Councilman Erickson noted that there are two distinct businesses: the landfill business which includes the transfer station and collection that is only within the City. There are a number of collection businesses that operate in Churchill County with open competition. The City also provides a trash truck without any additional fees. He believed that Fallon may be the only City in Nevada that picks up extra items without an extra charge.

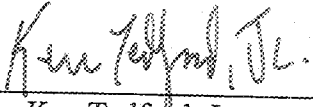
Councilman Swan motioned to authorize the City Attorney's Office to issue a letter of intent to purchase a transfer station and real property and enter into negotiations to complete an agreement to purchase a transfer station and real property by the City of Fallon with the addition of earnest monies in the amount of \$10,000.00 to be issued immediately and an additional \$10,000.00 in 30 days; seconded by Councilman Tewell and unanimously approved.

Public Comments

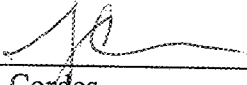
Mayor Tedford inquired if there were any public comments.
No comments were noted.

Adjournment

There being no further business to come before Council, Mayor Tedford adjourned the meeting at 9:25 a.m.



Mayor Ken Tedford, Jr.

Attest: 

Gary C. Cordes
City Clerk Treasurer