

**MINUTES  
CITY OF FALLON  
55 West Williams Avenue  
Fallon, Nevada  
April 21, 2009**

The Honorable City Council met in a regularly scheduled 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  
City Councilman, Robert Erickson  
City Councilman, John Tewell  
City Engineer, James Souba  
Chief of Police, Kevin Gehman  
City Clerk, Gary Cordes  
City Attorney, Mike Mackedon

The meeting was called to order by Mayor Tedford at 7:00 p.m. He then requested everyone rise to pledge allegiance to the flag.

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

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

**Approval of Warrants**

- A) Accounts Payable
- B) Payroll
- C) Customer Deposit

Mayor Tedford inquired if there were any comments regarding the accounts payable, payroll and customer deposit warrants.

No comments were noted.

Councilman Tewell motioned to approve the accounts payable, payroll and customer deposit warrants; seconded by Councilman Swan and unanimously approved.

**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.

### **Community Development Block Grant; Authorization to Submit Project Application**

City Engineer Souba explained that applications are due May 18, 2009 for the second round of Community Development Block Grants (CDBG). At the City Council meeting on April 7, 2009, public input was invited on proposed projects. The Churchill Desert Defense Coalition (CDDC) suggested recycling but the program was not quite fully prepared. CDBG is looking for projects that are well developed and ready to go. He recommended approval and direction to submit a CDBG project application for installation of a sodium hydroxide pH control system at the Water Treatment Plant. This is the type of capital project that has historically been approved.

Mayor Tedford noted that more playground equipment was also discussed. We will receive a grant for playground equipment at Oats Park. This sodium hydroxide pH control system will benefit all citizens of Fallon and the US Navy. Mayor Tedford added that he spoke with Bob Adams of the CDDC and assured him that we would continue to assist them in their efforts. This leaves the door open to further discussion with the local environmental science college class. There also may be other grants available to government agencies for recycling.

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

No comments were noted.

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

No comments were noted.

Councilman Swan motioned to approve the submission of a Community Development Block Grant application for installation of a sodium hydroxide pH control system at the Water Treatment Plant; seconded by Councilman Tewell and unanimously approved.

### **Approval of Cooperative Agreement for Geographical Information System (GIS) Data with Churchill County**

City Engineer Souba explained that a Geographical Information System (GIS) system is computer information overlaid onto a map. The City and Churchill County both have and maintain GIS data relative to their respective boundaries. This agreement formalizes the sharing of data between the two agencies. This will also add value to our Computer Aided Drafting (CAD) files. He recommended approval of this proposed agreement.

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

Councilman Swan inquired if the proposed agreement had been reviewed by the City Attorney's Office.

City Attorney Mackedon replied affirmatively. This agreement has been rewritten and reviewed. He recommended approval of this agreement.

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

No comments were noted.

Councilman Erickson motioned to approve a Cooperative Agreement for Geographical Information System Data with Churchill County as submitted and authorize Mayor Tedford to execute the appropriate documents; seconded by Councilman Tewell and unanimously approved.

**Adoption of plan of corrective action to prevent the recurrence of NRS violations as reported in the June 30, 2008 audit**

City Clerk Cordes explained the City Clerk's Office prepares an annual budget for all 24 funds, monitors the budget and prepares an annual financial statement that is audited by an independent auditor. The auditors are required to report all instances of non-compliance. The City conformed to all major statutory constraints on its financial administration during the fiscal year except that actual expenses exceeded appropriations by \$24,079 in the Unemployment Compensation Special Revenue Fund. Ms. Spangemacher of the Nevada Department of Taxation also noted a deficit equity balance in the Public Works Internal Service Fund and the Landfill Enterprise Fund for the years ending June 30, 2007 and June 30, 2008. The overexpenditures in the Unemployment Compensation Fund were approved by the City Council. A budget transfer or augmentation was not made to properly budget these expenditures. A monthly financial statement is being produced to monitor fiscal actions by the City Council to ensure they are within the adopted budget or if a budget augmentation or transfer needs to be performed. The City approved a budget augmentation in July 2008 and will consider another in May 2009. Regarding the deficit equity balance, the deficit in the Public Works Internal Service Fund was significantly reduced upon retirement of the City Engineer. Use fees will be adjusted to include funding of the compensated absences which is the only liability in the fund. This funding will then provide for positive equity. The other deficit equity balance in the Landfill Fund is created by the accounting for the Landfill Closure and Postclosure Care Costs. Footnote 10 to the audited financial statements discloses the liability as recorded and how that liability can be reduced over time by setting aside funds. The City has budgeted set-a-side funds beginning June 30, 2010 to fund this liability. This funding over time will reduce the liability and eliminate the deficit equity. This is the plan of corrective action that is recommended for approval.

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

No comments were noted.

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

No comments were noted.

Councilman Tewell motioned to adopt a plan of corrective action, as outlined by the City Clerk, to prevent the recurrence of NRS violations as reported in the June 30, 2008 audit; seconded by Councilman Swan and unanimously approved.

**Designation of Kafoury Armstrong & Company to audit the financial statements of the City of Fallon for the fiscal year ending June 30, 2009**

Councilman Erickson, a member of the Audit Committee, explained that the Audit Committee discussed the selection of an auditor and recommend that Kafoury Armstrong & Company be retained to audit the City's financial statements for the fiscal year ending June 30, 2009. This firm has audited the City's financial statements for many years and is very capable. It is one of the largest firms in the state, highly regarded in the industry and audits many governmental agencies.

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

No comments were noted.

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

No comments were noted.

Councilman Erickson motioned to approve the designation of Kafoury Armstrong & Company to audit the financial statements of the City of Fallon for the fiscal year ending June 30, 2009; seconded by Councilman Tewell and unanimously approved.

Mayor Tedford thanked Councilman Erickson and City Attorney Mackedon for serving on the Audit Committee.

### **Presentation of the Police Department Report for March 2009**

Chief Gehman stated that he was pleased to represent the men and women of the Fallon Police Department with the presentation of the March monthly report. He added that the March incidents and activities were in line with previous months with no exceptional variances.

- Officers and staff were able to attend 28 hours of creditable training.
- Investigator Riley presented an indoctrination lecture to newly stationed Navy personnel as well as instruction on domestic violence intervention at the POST academy.
- We utilized the Volunteers in Police Service for 95 hours and through the welfare assist account we provided one person with lodging and one with utilities.
- The citizen survey results were again highly positive.

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

Councilman Tewell inquired as to how a person would seek assistance through the welfare assist account.

Chief Gehman advised that a person seeking assistance would come to the front counter at the Police Department. It seems to be well known throughout the area.

Mayor Tedford noted that many requests are received at night when other service agencies are closed. Churchill County has Social Services and many churches offer help as well but that is during daytime business hours. The City's program is available at all hours, every day.

Mayor Tedford thanked Chief Gehman for the report.

### **Public Comments**

Mayor Tedford inquired if there were any public comments.

No comments were noted.

### **Council and Staff Reports**

City Engineer Souba: Phase 3 of the Downtown Pedestrian Enhancement Project is 5% complete. Demolition is complete and water and sewer line replacement will now begin.

Mayor Tedford confirmed that the replacement of water and sewer lines will extend West one block onto Fairview Street.

City Engineer Souba replied affirmatively.

Chief Gehman: Advised that Ben Trotter has been appointed from acting Sergeant to Sergeant. A formal introduction will be placed on the May 5, 2009 City Council agenda.

City Clerk Cordes: No report.

City Attorney Mackedon: No report.

Councilman Erickson: No report.

Councilman Tewell: Noted that he and Councilman Swan participated in what would likely be their last Convention & Tourism Board meeting this afternoon, barring any special meeting that may convene. He also noted that it was Fallon Convention & Tourism Authority Executive Director Rick Gray's 19<sup>th</sup> anniversary as well.

Councilman Swan: Noted that it was hard to believe that he and Councilman Tewell have been serving on the Convention & Tourism Board for 16 years.

Mayor Tedford added that they have given grants to many community events through the years that have benefitted many residents and visitors alike.

Mayor Tedford: Advised that a Laughlin television station was in Fallon two weeks ago; Laughlin is trying to incorporate and they interviewed him and two Police Sergeants. The television crew was impressed with all of the amenities that a City our size offers. The Sergeants also highlighted that point when they explained why they like to live here. We will try to obtain a copy of the episode.


#### **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 7:27 p.m.

Attest:

  
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Gary C. Cordes  
City Clerk/Treasurer

  
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Mayor Ken Tedford, Jr.