



CITY OF FERNLEY

CITY COUNCIL

AGENDA REPORT

Meeting Date: February 17, 2021

REPORT TO:	Mayor and City Council
REPORT FROM:	Mike Toombs, Deputy City Manager
REVIEWED BY:	Daphne Hooper, City Manager
REVIEWED BY:	Brandi Jensen, City Attorney
REVIEWED BY:	Denise Lewis, City Treasurer

FINANCIAL IMPACT: Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>	CURRENTLY BUDGETED: Yes: <input type="checkbox"/> No: <input type="checkbox"/>	FUND/ACCOUNT:
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ACTION REQUESTED: Consent Ordinance Resolution Motion Receive/File

AGENDA ITEM: Staff Report (For Possible Action): Approval of Memorandum of Understanding between the City of Fernley and Mark IV Capital for the specific purpose of seeking grant funding for Nevada Pacific Parkway.

Business Impact (per NRS Chapter 237):

A Business Impact Statement is Attached.

A Business Impact Statement is not required because this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B).

Agenda Item Brief: Mark IV has requested to enter into a Memorandum of Understanding for the specific purpose of seeking grant funding for Nevada Pacific Parkway. Should the Council authorize staff to move forward, and should grant funds be awarded, a grant agreement would be brought back to Council addressing specific grant guidelines and expectations.

See attached report for background, analysis, alternatives.

RECOMMENDED MOTION:

“I move to approve a Memorandum of Understanding between the City of Fernley and Mark IV Capital for the specific purpose of seeking grant funds for Nevada Pacific Parkway.”

ALTERNATIVES:

The Council may direct staff to pursue other funding options for the construction of Nevada Pacific Parkway.

BACKGROUND:

Mark IV Capital purchased more than 4300 acres of industrial-zone land in the City of Fernley and established the Victory Logistics District with the intention to develop an industrial park.

The Memorandum of Understanding does not create a binding agreement between the City of Fernley and Mark IV Capital, but rather an understanding between the City of Fernley and Mark IV Capital to work together collaboratively to establish and complete specific objectives, including, but not limited to the following:

- The City of Fernley and Mark IV Capital shall work collaboratively to submit a grant application (or applications) to the U.S. Department of Transportation (“USDOT”) soliciting federal funding for the completion of Nevada Pacific Parkway.
- Mark IV Capital shall undertake or to cause to undertake any and all work to the extent permissible in connection with drafting and submitting any applications for any Federal Grants, including without limitation, retaining the necessary consultants to generate the appropriate third-party reports as may be advisable in drafting these applications, which may include studies on environmental assessments, traffic, cost-benefit analysis, rail plans, engineering, regional air quality and vehicular safety, responding and following up with any representative’s inquiries or requests, and paying for any expenses, fees and costs related to the foregoing.
- The City shall sign on the applications and complete any portions of the applications that cannot be completed by Mark IV Capital.
- The City of Fernley shall fully support Mark IV Capital’s efforts as the administrator of the construction process, including the funding and payment obligations related thereto, which precede the ultimate reimbursement to Mark IV Capital of such funds from any of these Federal Grants or any other source of government.

The City of Fernley does not have the resources to fund the endeavors set forth in the MOU, and as such, upon award and acceptance of any of the Federal Grants, Mark IV Capital (i) shall establish a trust account to be administered by a third party trustee upon which the City of Fernley may withdraw commercially reasonable costs and expenses incurred by the City of Fernley solely in connection with the support; and (ii) reimburse the City of Fernley for any commercially reasonable costs incurred by the City of Fernley in connection with the Support. Mark IV Capital (not the City of Fernley) shall execute and take full responsibility of any letter of financial commitment or similar document in connection with the Federal Grant applications, thereby preventing the City of Fernley from undertaking any potential financial liability with respect to any Federal Grants. Should grant funds be awarded, the City of Fernley will enter into a formal grant agreement with Mark IV Capital specifically addressing grant guidelines and expectations.

ATTACHMENTS:

Memorandum of Understanding