



**YERINGTON CITY COUNCIL
MONDAY, OCTOBER 26TH 2026
10:00 A.M.**

Yerington City Hall 14 E. Goldfield Ave. Yerington, NV 89447

The Yerington City Council will conduct a public meeting on the 26th day of October, 2026, beginning at 10:00 a.m. at 14 East Goldfield Ave. Yerington, NV 89447

Join Zoom Meeting

<https://us06web.zoom.us/j/9040866690?pwd=Dc89jDEAUumicWChLj1oV5quXjYkqS.1&omn=84421433874>

Meeting ID: 904 086 6690 / Passcode: 2026COY (case sensitive)

Mobile: 1 (669) 900-6833 / 1 (719) 359-4580

Please call Yerington City Hall at (775) 463-3511 if you have any questions accessing the meeting. Written public comments may be mailed to the City Clerk's office at 14 E. Goldfield Ave. Yerington, Nevada 89447 or emailed to stacys@yerington.net. Be sure to type PUBLIC COMMENT in the subject line. Comments must be received the business day prior to the date of the meeting by 4:00 p.m. for the comments to be included in the meeting.

City Council meetings are open to the public and may be attended in person or via virtual Zoom, if available. Virtual public comment may be given if you are attending the virtual Zoom meeting by "raising your hand" virtually at the appropriate times to notify staff of your desire to speak.

AGENDA:

Action may be taken only on those items denoted "For Possible Action."

- 1. Call to order, roll call and Pledge of Allegiance.**
- 2. Public Comment:** *Any matter pertinent to the City of Yerington should be shared under this item. Items appearing in the Consent Agenda (item 4) should be discussed at this time. Comments related to an item appearing on the agenda will be heard when that agenda item is called. No action may be taken on a matter raised under this item of the agenda until the matter itself has been included specifically on an agenda as an item upon which action will be taken.*
- 3. For Possible Action:** Review and approval of the agenda.

- a. *NOTICE RE: NRS 237: When the City Council approves this agenda, it also approves a motion ratifying staff action taken pursuant to NRS 237.030 et seq. with respect to items on this agenda and determines that each matter on this agenda for which a Business Impact Statement has been prepared does impose a direct and significant economic burden on a business or directly restrict the formation, operation or expansion of a business, and each matter which is on this agenda for which a Business Impact Statement has not been prepared does not impose a direct and significant economic impact on a business or directly restrict the formation, operation or expansion of a business.*
4. **Consent Agenda (Action Will be Taken on All Items):** *All matter listed under the consent agenda are considered routine, and may be acted upon by the City Council with one action, and without an extensive hearing. Any member of the Council or any citizen may request that an item be taken from the consent agenda, discussed, and acted upon separately during this meeting.*

4.a For Possible Action: Discussion and approval of bills previously submitted for payment as follows:

Checks # 42491 through 42552 totaling \$227,755.51

4.b For Possible Action: Discussion and Possible Approval of minutes from the October 12th, 2026 regular meeting.

4.c For Possible Action: Approval of New, Renewal and Name Change Business License Applications

- A. Edward & Cynthia Jones, Paw Spaw Grooming, Pet Grooming and Training, 429 N Center St. Yerington, NV 89447, New
- B. David Mansfield, Curtis Brothers Construction, Construction, 2300 Balsam St. Reno, NV, 89509, New
- C. Octavid Ayala-Gordillo, On Point Restoration, LLC, 24-Hour Response system for Water Damage and Repairs, 17915 Sweet Gum Ct., Reno, NV 89508 - New
- D. Dustin Urton, Urton LTD, Construction, P.O. Box 110, Smith, NV, 89430- New
- E. Anthony Jacob Monahan, King Customs, LLC, Vehicle Repair Shop/Mobile Repairs, 12 US Hwy 95A, Yerington, NV, 89447 - New

Regular Agenda – (Action will be taken on all items unless otherwise noted)

5. **For Possible Action:** Discussion and Possible Action to fill a vacant City Council seat by appointment. The individual selected shall assume the duties and responsibilities of City Councilmember immediately upon appointment and completion of oath of office. The appointment will remain effective until January 4, 2027, at which time the newly elected members of the City Council are scheduled to assume office.
6. **For Discussion Only:** Quarterly report and update of the Yerington Municipal Court (Court Clerk Savannah Lopez)

7. **For Possible Action:** Discussion and Possible Action to approve a proclamation declaring October 28, 2026 as National First Responders Day in Yerington, Nevada, in recognition of the dedication, service, and sacrifices of first responders who protect and serve our community.
8. **For Possible Action:** Discussion and Possible Action to approve a proclamation declaring November 1, 2026 as Extra Mile Day in Yerington, Nevada, in recognition of individuals, organizations, and businesses that go above and beyond in their service, volunteerism, and commitment to making our community a better place to live, work, and thrive.
9. **For Possible Action:** Discussion and Possible Action to approve a Re-Assignment of Lease Agreement dated December 12, 2016 from Highlands Wireless, Inc., A Nevada Corporation, to Wi-Fiber, dba Rango Wireless.
10. **For Possible Action:** Discussion and Possible action to approve the 2026 Compensation and Classification Policy (City Manager Jerry Bryant)
11. **For Discussion Only:** Review and Discussion of the City of Yerington 2025 Master Plan, Chapter 7, titled Land Use. (Requested by Mayor John. J. Garry)
12. **For Possible Action:** Discussion and Possible Action to approve a modified City Council meeting schedule for November and December 2026, consolidating regularly scheduled meetings to one per month in observance of the holiday season. Regular meetings would be held on Monday, November 9, 2026 and Monday, December 14, 2026. A special meeting of the City Council will also be held on Thursday, November 12, 2026, for the purpose of canvassing the results of the 2026 General Election.
13. **Agenda Requests:** A Councilmember or appointed department head may request an item be considered on a future agenda either by making an oral request at a Council meeting or submitting the request in writing to the City Manager at least 30 days prior to the meeting for which the item is requested to be placed on the agenda.
14. **Public Comment:** *Any matter pertinent to the City of Yerington should be shared under this item. No action may be taken on a matter raised under this item of the agenda until the matter itself has been included specifically on an agenda as an item upon which action will be taken.*
15. **Department and Elected Official Reports** - No action will be taken, reports with possible comments and discussion only, as follows:
 - A. City Attorney Report
 - B. Chief of Police Report
 - C. Public Works Director Report
 - D. City Manager Report
 - E. City Clerk Report
 - F. Council Comments
 - G. Mayor Comments

16. **Adjournment.**

NOTICE TO PERSONS WITH DISABILITIES: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify city staff at (775)463-3511 in advance so that reasonable arrangements may be made.

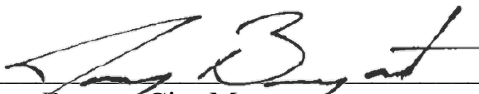
If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Mail your completed complaint form or letter to the U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410; or fax to (202) 690-7442 or email at program.intake@usda.gov.

NOTICE:

1. Agenda items listed above may be taken out of order.
2. Two or more agenda items may be combined.
3. Agenda items may be removed from agenda or delayed at any time.
4. Any restrictions on public comment must be set out herein.
5. Public comment is limited to three (3) minutes per person.
6. Public comment that pertains to an item appearing on the agenda will be heard at the time of the agenda item being called. Public comment at the time of an agenda item must pertain to the specific agenda item being discussed.
7. Public comment cannot be restricted based on viewpoint. Section 7.05 of the Nevada Open Meeting Law Manual indicates that a public body's restrictions on public comment must be neutral as to the viewpoint expressed, but the public body may prohibit content if the content of the comments is a topic that is not relevant to, or within the authority of, the public body, or if the content of the comments is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational, or amounting to personal attacks or interfering with the rights of other speakers. *See* AG File No. 00-047 (April 27, 2001).

Supporting documentation for the items on the agenda is available to members of the public at www.yerington.net, by request at the City Manager's Office (14 E. Goldfield Ave., Yerington, NV), by phone (775)463-3511, or by email requests to stacys@yerington.net.

I, Jerry Bryant, do hereby certify that the foregoing agenda was duly posted at Yerington City Hall located at 14 East Goldfield Avenue, online at the Nevada State Department of Administration web site at notice.nv.gov and the City of Yerington website at www.yerington.net by the 21st day of October 2026, in compliance with NRS 241.020.



Jerry Bryant, City Manager
City of Yerington

10/20/2026

Date

4a

For Discussion and Possible Action: Discussion and Approval of Bills Previously Submitted for Payment as Follows:

Checks **42491** through **42552** totaling **\$227,755.51**

Accounts Payable: \$135,854.94

Payroll: \$54,113.54

Transmittals: \$37,787.03

781-0554

ALP

- 10.7.2026
(3) 42491 - 42521
10.17.2026
(2) 42527 - 42552

P/R

- 10.15.2026
(3) 42522 - 42524
(28) 10152601 - 10152628

Trans:

- 10.12.26
(2) 10122601 - 10122602
(2) 42525 - 42526

October 26th Meeting
October 5 - October 18, 2026

Report Criteria:

Report type: Invoice detail

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Amount
10/26	10/07/2026	99	1938	SOUTHWEST GAS CORP	022822GOLD	.00
10/26	10/07/2026	36686	2060	VERIZON WIRELESS	9928276346	.00
10/26	10/07/2026	42491	6607	AMAZON CAPITAL SERVICES	1NT4-LFW7-J	232.81
10/26	10/07/2026	42491	6607	AMAZON CAPITAL SERVICES	1P9T-74VQ-H	254.94
10/26	10/07/2026	42491	6607	AMAZON CAPITAL SERVICES	1R4P-3CTF-F	52.38
10/26	10/07/2026	42492	6244	ARELLANO HEATING & AIR	P11448	187.50
10/26	10/07/2026	42493	6806	ARMSTRONG CONSULTANTS INC	000023906	15,820.00
10/26	10/07/2026	42494	6544	AT&T MOBILITY	287355205515	286.09
10/26	10/07/2026	42495	6804	CC COMMUNICATIONS	SEPTEMBER	244.99
10/26	10/07/2026	42496	1182	CITY OF YERINGTON	PD PETTY CA	44.06
10/26	10/07/2026	42497	1232	D & S WASTE REMOVAL	260930390000	1,893.98
10/26	10/07/2026	42498	1261	DESERT ENGINEERING	52432	11,501.20
10/26	10/07/2026	42499	1324	DOWL, LLC	7363.30437.01	2,042.25
10/26	10/07/2026	42500	7170	FLOCK GROUP INC	INV-101931	11,700.00
10/26	10/07/2026	42501	1062	FLYERS ENERGY, LLC	CFS-4737041	1,326.07
10/26	10/07/2026	42502	2058	FRONTIER	92426FIRE	650.20
10/26	10/07/2026	42502	2058	FRONTIER	92526CH	316.89
10/26	10/07/2026	42503	7183	INDEED, INC.	USI26-082792	46.25
10/26	10/07/2026	42504	2034	JIM MENESINI PETROLEUM, LLC	SEPTEMBER	629.81
10/26	10/07/2026	42504	2034	JIM MENESINI PETROLEUM, LLC	SEPTEMBER	2,668.61
10/26	10/07/2026	42505	1566	LYON COUNTY CLERK TREASURER	SEPTEMBER	2,000.00
10/26	10/07/2026	42506	1566	LYON COUNTY CLERK TREASURER	SEPTEMBER	15,351.31
10/26	10/07/2026	42507	1588	MARRACCINI PLUMBING	82020	1,125.00
10/26	10/07/2026	42507	1588	MARRACCINI PLUMBING	82021	1,000.00
10/26	10/07/2026	42508	1098	MINDEN LAWYERS, LLC	12391	5,442.25
10/26	10/07/2026	42509	7182	MODESTO VALLEY WIDE	SEPTEMBER	7.99
10/26	10/07/2026	42510	1902	NV ENERGY	312937-0926	57.16
10/26	10/07/2026	42510	1902	NV ENERGY	317493-0926	43.71
10/26	10/07/2026	42510	1902	NV ENERGY	441484-0926	54.29
10/26	10/07/2026	42510	1902	NV ENERGY	475438-0926	9,976.04
10/26	10/07/2026	42510	1902	NV ENERGY	475469-0926	883.24
10/26	10/07/2026	42510	1902	NV ENERGY	475616-0926	4,529.62
10/26	10/07/2026	42510	1902	NV ENERGY	706659-0926	40.38
10/26	10/07/2026	42511	1711	NWRA	95737216	25.00
10/26	10/07/2026	42512	7073	PORTER GROUP LLC	26-COY-10	6,000.00
10/26	10/07/2026	42513	1795	PUBLIC EMP. BENEFITS PROGRAM	OCTOBER 20	873.96
10/26	10/07/2026	42514	1938	SOUTHWEST GAS CORP	92626GOLDP	31.86
10/26	10/07/2026	42514	1938	SOUTHWEST GAS CORP	92926CAL	70.59
10/26	10/07/2026	42514	1938	SOUTHWEST GAS CORP	92926GOLDP	31.05
10/26	10/07/2026	42514	1938	SOUTHWEST GAS CORP	92926TROW	70.59
10/26	10/07/2026	42514	1938	SOUTHWEST GAS CORP	92926TROW2	46.31
10/26	10/07/2026	42515	2032	UNDERGROUND SERVICE ALERT	1329692026	677.84
10/26	10/07/2026	42516	1824	USA TODAY MEDIA CORPORATION	0007894309	598.68
10/26	10/07/2026	42517	6317	WESTERN ENVIRONMENTAL TESTIN	26090628	1,078.24
10/26	10/07/2026	42518	2088	WESTERN NEVADA SUPPLY	12456578-1	93.88
10/26	10/07/2026	42519	2094	WILD WEST CHEVROLET	6040975	761.99
10/26	10/07/2026	42519	2094	WILD WEST CHEVROLET	6041025	790.99
10/26	10/07/2026	42520	2099	XPRESS BILL PAY	INV-XPR0401	1,153.18
10/26	10/07/2026	42521	2098	YERINGTON AUTO PARTS	SEPTEMBER	271.44
10/26	10/15/2026	42527	6806	ARMSTRONG CONSULTANTS INC	000023906-26	650.50
10/26	10/15/2026	42528	1868	AT & T LONG DISTANCE	0284049023	2.50
10/26	10/15/2026	42528	1868	AT & T LONG DISTANCE	1183550375	11.57
10/26	10/15/2026	42528	1868	AT & T LONG DISTANCE	2182175219	1.68
10/26	10/15/2026	42529	6409	CANON FINANCIAL SERVICES, INC.	44013013	730.64

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Amount
10/26	10/15/2026	42530	7185	COLLINS, JAMES	140740.00	117.24
10/26	10/15/2026	42531	1261	DESERT ENGINEERING	52422	1,028.74
10/26	10/15/2026	42532	1250	DITCH WITCH WEST	1075137	372.83
10/26	10/15/2026	42533	6270	FREEDOM MAILING SERVICES, INC	54023	1,397.55
10/26	10/15/2026	42534	7039	GREAT BASIN LAVENDER ASSOCIATI	RM TX JUL-D	1,000.00
10/26	10/15/2026	42535	7189	MRE, LLC	160040.00	52.95
10/26	10/15/2026	42536	6502	NUNEZ, KARINA	PARK DEP RE	200.00
10/26	10/15/2026	42537	1902	NV ENERGY	312895-0926	1,026.94
10/26	10/15/2026	42538	1761	PAPE MACHINERY	8003310	15.00
10/26	10/15/2026	42539	7187	PENNER, DENNIS	300147.03	78.15
10/26	10/15/2026	42540	7186	PITTS, MATTHEW	140430.01	8.09
10/26	10/15/2026	42541	7190	RICHARDS, RAY	10616007	117.21
10/26	10/15/2026	42542	1888	SIERRA CONTROLS, LLC	258395	247.50
10/26	10/15/2026	42543	1911	SILVER STATE BARRICADE & SIGN	S040921	1,029.77
10/26	10/15/2026	42544	7184	SMITH, SHELBY	26 CR 00003	3,135.00
10/26	10/15/2026	42545	7188	SOUTHERN TIRE MART	7590076261	240.00
10/26	10/15/2026	42546	1974	STUDIO 33	5019	600.00
10/26	10/15/2026	42547	7014	TENNIS COURT SUPPLY	AB-18813	6,122.50
10/26	10/15/2026	42548	1886	THATCHER COMPANY OF NEVADA, IN	202640010486	1,412.63
10/26	10/15/2026	42549	1886	THATCHER COMPANY OF NEVADA, IN	202640010486	9,192.14
10/26	10/15/2026	42550	7154	THOMSON REUTERS	854212878	430.80
10/26	10/15/2026	42551	6317	WESTERN ENVIRONMENTAL TESTIN	26090770	1,530.64
10/26	10/15/2026	42551	6317	WESTERN ENVIRONMENTAL TESTIN	26090771	1,078.24
10/26	10/15/2026	42551	6317	WESTERN ENVIRONMENTAL TESTIN	26090786	443.84
10/26	10/15/2026	42552	2094	WILD WEST CHEVROLET	6041084	595.67
Grand Totals:						135,854.94

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

Report Criteria:

Report type: Invoice detail

Report Criteria:

Includes the following check types:

Manual, Payroll, Supplemental, Termination, Void

Includes unprinted checks

Pay Period Date	Journal Code	Check Issue Date	Check Number	Payee	Payee ID	Description	GL Account	Amount	D
10/11/2026	PC	10/15/2026	42522	Smith, David W.	602		00-00-00-102	664.92-	
10/11/2026	PC	10/15/2026	42523	Talamante, Thomas	605		00-00-00-102	737.12-	
10/11/2026	PC	10/15/2026	42524	Galvin, Matt	660		00-00-00-102	345.76-	
10/11/2026	PC	10/15/2026	10152601	Aiello, Angelo	701		00-00-00-102	747.21-	D
10/11/2026	PC	10/15/2026	10152602	Beaton, Nicholas	692		00-00-00-102	368.97-	D
10/11/2026	PC	10/15/2026	10152603	Becker, Dennis	20		00-00-00-102	2,968.67-	D
10/11/2026	PC	10/15/2026	10152604	Bryant, Jeremy	647		00-00-00-102	2,859.59-	D
10/11/2026	PC	10/15/2026	10152605	Clanton, Shawn J.	695		00-00-00-102	3,569.52-	D
10/11/2026	PC	10/15/2026	10152606	Coombs, Brandon	31		00-00-00-102	3,128.76-	D
10/11/2026	PC	10/15/2026	10152607	Devine, Connie	703		00-00-00-102	173.15-	D
10/11/2026	PC	10/15/2026	10152608	Durst Jr, Ronald	676		00-00-00-102	2,159.53-	D
10/11/2026	PC	10/15/2026	10152609	Garry, John Joseph	61		00-00-00-102	739.65-	D
10/11/2026	PC	10/15/2026	10152610	Gibbs, Lianne	704		00-00-00-102	738.37-	D
10/11/2026	PC	10/15/2026	10152611	Gutierrez, Tommy	659		00-00-00-102	2,591.10-	D
10/11/2026	PC	10/15/2026	10152612	Haas, Stephanie	678		00-00-00-102	3,730.11-	D
10/11/2026	PC	10/15/2026	10152613	Hansen, Crystal	699		00-00-00-102	1,288.39-	D
10/11/2026	PC	10/15/2026	10152614	Jennerjohn, Richard	650		00-00-00-102	2,809.74-	D
10/11/2026	PC	10/15/2026	10152615	Larsen, Stacey	644		00-00-00-102	1,722.77-	D
10/11/2026	PC	10/15/2026	10152616	Larson, Michele	667		00-00-00-102	1,789.40-	D
10/11/2026	PC	10/15/2026	10152617	Lopez, Omar	686		00-00-00-102	368.97-	D
10/11/2026	PC	10/15/2026	10152618	Lopez, Savannah	698		00-00-00-102	1,386.03-	D
10/11/2026	PC	10/15/2026	10152619	Lucas, Peter	700		00-00-00-102	1,301.29-	D
10/11/2026	PC	10/15/2026	10152620	Martin, Shane	648		00-00-00-102	368.97-	D
10/11/2026	PC	10/15/2026	10152621	McNeill, Sean	683		00-00-00-102	2,722.52-	D
10/11/2026	PC	10/15/2026	10152622	Ruiz, Francisco	658		00-00-00-102	1,249.53-	D
10/11/2026	PC	10/15/2026	10152623	Shapiro, Paul	687		00-00-00-102	3,201.33-	D
10/11/2026	PC	10/15/2026	10152624	Smith, Brian	681		00-00-00-102	3,328.17-	D
10/11/2026	PC	10/15/2026	10152625	Staugaard, Austin	702		00-00-00-102	387.07-	D
10/11/2026	PC	10/15/2026	10152626	Stevenson, Stacy	682		00-00-00-102	2,204.73-	D
10/11/2026	PC	10/15/2026	10152627	Sturtevant, Helen M.	163		00-00-00-102	1,740.24-	D
10/11/2026	PC	10/15/2026	10152628	Wisner, Nicholas	177		00-00-00-102	2,721.96-	D
Grand Totals:								54,113.54-	

31

Signature Lines

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

Report Criteria:

Includes the following check types:

Manual, Payroll, Supplemental, Termination, Void

Includes unprinted checks

Report Criteria:

Includes the following check types:

Transmittal

Includes unprinted checks

Pay Period Date	Journal Code	Check Issue Date	Check Number	Payee	Payee ID	Description	GL Account	Amount	D
10/11/2026	CDPT	10/12/2026	42525	CALIFORNIA STATE DISBURSEM	13	Child Support Pay Period: 10/11/	00-00-00-102	1,889.00-	
10/11/2026	CDPT	10/12/2026	42526	PUBLIC EMPLOYEES RETIREME	2	Retirement - Council Pay Period:	00-00-00-102	25,451.22-	
10/11/2026	CDPT	10/12/2026	10122601	IRS Tax Deposit Wells Fargo	1	Tax Deposit Federal Withholding T	00-00-00-102	10,029.81-	
10/11/2026	CDPT	10/12/2026	10122602	YERINGTON POLICE OFFICERS	6	Police Dues Pay Period: 10/11/20	00-00-00-102	417.00-	
Grand Totals:								37,787.03-	
			4						

Signature Lines

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

Report Criteria:

Includes the following check types:

Transmittal

Includes unprinted checks

4b



The regular meeting of the Yerington City Council was held on October 12, 2026 in the Council Chambers at 10:00 a.m. with the following present:

Mayor John J. Garry
Council Members Nick Beaton, Omar Lopez and Matt Galvin (Galvin via Zoom)
City Attorney Charles Zumpft
City Manager Jerry Bryant
City Clerk Stacy Stevenson
Chief of Police Shawn Clanton

Absent: Public Works Director Paul Shapiro

Guests: Robin Biggs, James Rosachi, Leo Solari Sr., Tracey Thom, Dave DeGrendele and Phyllis Hiskett.

AGENDA:

1. Call to order, roll call and Pledge of Allegiance.

The meeting was called to order within the James Sanford Community Center and roll call was reported by Mayor Garry. The Pledge of Allegiance was led by Mayor Garry.

2. Public Comment:

Robin Biggs stated at the last meeting, “about the minutes not being corrected and I hear the minutes and I put that in there and I wanted it verbatim and now I’m seeing the minutes that are going to be approved. So, the the September 14th minutes Number A, page three, I said number eight. So, I'm kind of getting tired of these minutes making me look like I'm totally incompetent, and and... I was... I had asked Jerry for... to straighten it out, and he said it'll cost me \$15 to get the audio of it. And I said, well, when it turns out that I'm correct, that you didn't put it down verbatim, because I had 3 minutes to speak, and there's only maybe 3 or 5 incomplete sentences. I talk more than that. And he said he would not refund my money. I do not think... the county doesn't do it that way. I think it's wrong. And the 15 mile an hour speed zone, Mr. Clanton, it needs to be put up on Main Street from the... at least from the Teen Center down past. And no U-turns. We used to have those signs up there. People are backing out, and the crosswalks, they're backing into crosswalks, which is against the law. That used to be paved, or they were... X'd out, no parking in different areas, and they're... they're parking right, like, at Dini's parking lot off of Main Street. There're no red lines, and... It's very dangerous. People are going 40 miles an hour. People are sitting in the roadway with their left turn signal on, in a crosswalk, waiting for someone

to back out between the post office and... and, Rex Drugstore. And then they're making a left in there. And we've got these huge semis coming down, loaded up. They're driving 30 miles an hour. It needs to say 15, and we need to look at crossing those lines out. I put a call into NDOW. But the city overnight, one time, went in there and made those crosswalks, those extra... Mayor Garry let Ms. Biggs know that her 3 minutes was up.”

James Rosachi stated “something does need to be done about the traffic. I live on Broadway in town, every single day with people being picked up for school. Stop signs are being run. Stop signs are being ignored, which is bad anytime, let alone when there are kids trying to walk home from school. Main Street is horrible. I tried to walk down to Dini's with my kids to get breakfast, and there are people speeding. The traffic is really bad and it's only going to get worse, especially on the side streets. As all these projects are moving in, those intersections are going to get worse. Traffic was backed up from Main and Goldfield, all the way down to the gas stations. And as those traffics get worse, the side streets are going to start getting busier, because people are going to be taking them, they're going to be upset, and they're going to be speeding. And accidents are going to get worse. Something needs to be done about the traffic.”

Leo Solari stated “I'm requesting that item 4D could be pulled off the consent agenda and discussed separately. Thank you.” Councilman Beaton asked Mr. Solari, sorry, for purposes of the record, was that 4B as in boy, or 4D as in dog? Mr. Solari stated D as in dog. Mayor Garry stated we'll move on to review and approval of the agenda. Mr. Bryant is there any additions, deletions or modifications. City Manager Bryant stated that we had a request from an audience member to remove 4D off the consent agenda, does that meet with your approval? We can discuss it separately, that's fine. When we come to it, what we'll do is, when we get to the consent agenda, it'll be 4A through C, and then we'll discuss 4D separately as its own item.

3. **For Possible Action:**

Mayor Garry stated then absent any objections, I'll approve the agenda as presented. Hearing no objections, the agenda is approved.

4. **Consent Agenda (Action Will be Taken on All Items):**

4.a For Possible Action: Discussion and approval of bills previously submitted for payment as follows:

Checks # 42438 through 42490 totaling \$294,318.39

4.b For Possible Action: Discussion and Possible Approval of minutes from the September 28th, 2026 regular meeting.

4.c For Possible Action: Approval of New, Renewal and Name Change Business License Applications

- A. Rodolfo Perez, Erick Perez -Reyes, Mi Pueblita, Mobile Clothing Truck, 414 N. West St, Yerington NV, 89447, New
- B. Nain Perez, NPB Abatement, LLC, Asbestos Removal, 5465 Desert Dreams Drive Sun Valley NV, 89433, New
- C. Sam Landis, Ridgeline Framing, LLC, Concrete Subcontractor, 3170 Research Way #84 Carson City NV, 89706, New
- D. Catherine Rose, Timothy Danenhower, Tim Danenhower, LLC, Manufactured Home Remodel,

- 23 Flowery Ave Dayton NV, 89447, New
- E. Randy Miller Broadbent & Associates, Inc., Environmental and Engineering Consulting Firm, 8 West Pacific Ave, Henderson NV, 89015, New
 - E. Joel Larkin, Custom Stitch Upholstery, Upholstery Services, 400 Main St Unit C, Yerington NV, 89447, New.
 - G. Daniel Haley, Garrett Langley, Flock Group, Software Publishers, 3284 Northside Pkwy NW Suite 150, Atlanta GA, 10601, New.
 - H. Brina Bliss, Superior Services Inc., Asphalt Maintenance, 330 front St, Elko NV, 89803, New
 - I. Brian Gerritz, Pavilion Construction NV, LLC, General Contractor, 5401 Longley Lane #8,29 Reno NV, 89511, New
 - J. William T. Emens, Lucy A. Rechel, Allied Sanitation Services, LLC, Portable Sanitation Services, 165 borne Lane, Yerington NV, 89447, New

Councilman Beaton made a motion to approve the consent agenda, seconded by Councilman Lopez. Mayor Garry asked for public comment, no comments were made and the motion passes unanimously.

4.d For Possible Action: Discussion and Possible Action to Reaffirm Special Use Permits previously issued. Determination of compliance to include conditions of original permit and authorize continuation, modification, suspension or revocation of Special Use Permits.

- A. Desert Engineering APN 001-681-13 Yerington, NV
- B. Frade Ranches Inc. APN 001-671-14 Yerington, NV

City Manager Bryant stated These items are part of our process to reaffirm special use permits as we are supposed to be doing, and we started getting back on that habit again here recently by doing it with the Boys and Girls Clubs and their three special use permits at the last meeting. And this is to reaffirm the special use permit for Desert Engineering for their gravel pit, over there off of Pursel, and the Frade gravel pit, over there near the Night in the Country setup. That's what these two items are for. And I'm available for any questions. Councilman Beaton stated They have been doing a good job of communicating with us the blasting schedule and everything else to alleviate any concerns or false calls. City Manager Bryant stated I'm not familiar with any frustration with it. Everything seems to be status quo on my end. And just like the previous one, is it yearly or every 3 years? City Manager Bryant stated on this one, I did suggest that it go to a 3-year, just because, again, our goal here with the special use permits is not to be burdensome on the permit owners, but more so just to have check-ins. Now, if there's ever a need to bring somebody back sooner, we'd like to reserve that right to bring them back sooner for a review, but again, the letter to the council, I did suggest they would go with a 36-month on these, but it's at your discretion. Councilman Lopez made a motion to accept 4D as presented, seconded by Councilman Beaton. Mayor Garry asked for public comment. Leo Solari stated Leo Solari again, to go on the record, to ask a couple questions, if I could, on this approval. When was the last special permits issued, and when was the last time we did any inspections out on these properties? Both these, gravel pits are within a mile of residence and it's listed on these what I dug into the special use permits that I show are several years old, and they need to be looked at again and addressed on all these items that are on here. Not trying to dig into you, Jerry, but when was the last time we looked at any of this stuff? Are you going out to these and seeing what they're asking us to do. One of the, Frade one I could see is within the neighborhood, right by the town here, and they're talking about going back to explosions and blowing up, you know, how a gravel pit works and such. Now,

last time this was all approved was many moons ago, and I feel it needs to be looked at and see if it's in compliance with the current conditions. Desert Engineering provides a lot to this community. They do a lot. And just because of that, we can't say, everything's cool, go ahead and do it. We need to look at this and everything needs to be brought up to current times. You know, no, we can't just rubber stamp this stuff. I just really hope you guys are looking at this a little closer. And again, I'm not coming in here... I live on Pursel, okay? Got solar... water trucks going by day and night, roads torn up, I can't even use the roads out there. And the more I looked in these special use permits, they are in violation of it. They're not supposed to be coming down West Pursel, they're supposed to come down East Pursel, turn onto McKenzie, stay on 827 all the way up. And the reason they ask that is the roads are built to handle these trucks. The roads are wide enough for these trucks. As a citizen, I shouldn't have to be coming here and pointing stuff out, but if something's getting overlooked, I feel like, hey, bring it to your attention, that's all. Let's look at this, stop rubber stamping this stuff. And I feel the cities really shorten themselves when they're not collecting their fees. We have solar farms up here with their water trucks. All those trucks aren't registered locally, they're out of state, they're not paying taxes for their fuels, nothing's being looked at because, well, it's a Mineral County project. It's being performed in our city, in our town, and I want to see Yerington make money off of this. The trucking industry, paying for registration for your trucks for the state, fuel, paying taxes for your fuel. All that... that yard right by the bar over there is not in compliance. They stuck a tank on the ground, and they're filling their diesel fuel up out of that, right against produce. Tanks aren't secure, we have earthquakes, and just a lot of stuff needs to be looked at a little closer now. I know we're a small town, but we're growing big, and we have a lot of big projects that need to be addressed properly. Thank you for your time. Robin Biggs stated I agree with what Leo said. You are making money off of it with our city water. You're making lots of money off of the solar panel with the... with the city water. How much we may not know. I can't find it in the archives, but yeah, I think. I think what he's saying about the... all these vehicles, almost everything that's going on, they're not... they don't even have Nevada driver's license. We're not, you know, we're not making money off of all this equipment in Mineral County, even the other areas. Or the program... they don't even have Nevada driver's licenses. And, it's we've had a lot of accidents, fatal accidents with these individuals passing on double yellow lines. Councilman Beaton stated Mr. Mayor, if I may, City Manager Bryant, just for clarification purposes, the point of a special use permit is to put restrictions and regulations on businesses and towns so that somebody like our building inspector or our chief of police can go out and enforce what we are putting in the special use permits. City Manager Bryant stated yes, we can enforce it at any time, and the purpose is to have reasonable, but favorable conditions for the city. Councilman Beaton stated Okay. And we... they are subject at any time for... for review and compliance. Perfect. And an expired special use permit does not have any of those teeth for the restrictions and regulations that we're putting on the businesses with a SUP. City Manager Bryant stated so they, by default, would have a one-year review. I would have to check the legal term to see if there's technically an expiration on there, because I don't know that they technically ever expire so much as they're supposed to be reviewed annually unless directed otherwise. Councilman Beaton stated to Mr. Solari's point, this will do what he is seeking in terms of giving us the teeth to go out and enforce the regulations? City Manager Bryant stated Correct. And I would tell you that my last time on site was about four to five weeks ago with each of these properties, reviewing them, as I do before bringing them back for review. Motion passes unanimously.

Regular Agenda – (Action will be taken on all items unless otherwise noted)

5. **Recognition of Accomplishments: The City of Yerington recognizes Yerington resident Mireya Zarazua upon being named Miss Lyon County 2026.**

Councilman Lopez stated So, I am also the... I don't just sit on the council, I'm also the president for the Yerington Hispanic Committee. And throughout the years, we've always done. For the Fair and Rodeo, we do the Hispanic dance out there, and we always present. One of the candidates for Miss Yerington. Well, 2 years ago, it wasn't done. So last year, we stepped up and we took it on again, a few of us, and we didn't do the annual pageant. I guess you could call it, and so this year, we picked it up again. We brought it back. We had 3 young ladies sign up. Ms. Mireya, if you want to come on up here. She won. She'd been out there for 4 or 5 months, was hustling, selling tickets, going to events, presenting herself. I think she'd go to the podium, right? You want to do that? Jerry will direct you where to go. And her mom is here also with her. And so, Mireya is our first Miss Lyon County, because it used to be called Miss Yerington, so we switched it up to go Miss Lyon County for the Fair and Rodeo. So, Miss Mireya Zarazua is here. I had a plaque made, but it's not done yet. I will get it to her later, so we're going to take a picture, and we're just gonna recognize her, and thank you for participating and for all the time that you put into the Miss Lyon County, and you've got a busy year ahead of you, so we're not going to stop now, and next August, we'll present the new one and thank you to the City of Yerington for letting us present her today.

6. **For Discussion Only: Presentation by Tracey Thom, Vice President of Corporate Affairs for Southwest Critical Materials, providing an update on the Pumpkin Hollow Project.**

Manager Bryant stated Mr. Mayor, for this item, we do have a presentation that we're getting loaded up onto the screen for us, so bear with us just a moment, we'll have it ready for the public. Tracey Thom stated Mr. Mayor, council members, guests, and community members, thank you very much for inviting me here today to provide a project update on the Pumpkin Hollow Project. Unfortunately, that's the last time you'll hear me refer to it as the Pumpkin Hollow Project. I am excited to announce that we are transitioning, we're evolving, the company into Anthem Copper. So, the reason that we are changing our name to Anthem Copper is not because we want to disrespect the past of Pumpkin Hollow. Pumpkin Hollow has obviously had a long history, especially in Yerington, but we believe that this group really needed an anchor to hold onto. What is an anthem? An anthem is a shared expression or purpose, one that brings people together with a common goal and inspires action. We are at that point where we need to inspire action. We needed to get the team moving in a direction. We needed them to own their future. They needed to own their success. So, we deliberated quite a bit, and we needed something that tied not only Anthem Copper to Yerington, but to the United States and so, we needed something that was, you know, emotionally patriotic, that really did drive that feeling of ownership, and so we've moved with Anthem Copper. This name reflects that spirit. Our commitment to rigorous strategy, disciplined execution, and the collective effort required to achieve lasting success. We have a clear purpose. In a minute, I'll talk about all the work that we've done to date, but our purpose is to responsibly advance our copper assets. Everybody is aware that the underground, it is fully built. We also have the open pit, which is going through a feasibility study, and then we have some other exciting opportunities that we're looking at on the property as well. We need to strengthen our operations and create enduring value for our stakeholders, and that includes the community in which we work. So where is Anthem today? We've reached a pivotal point in the future of our assets. You've heard me talk about all the planning, the studies that we've gone through. Planning and studies include moving from baseline geologic... recreating our geologic model, our hydrogeologic model, our hydrologic model, moving into our geotechnical model, and that all feeds into our mine planning. That has created a much stronger base for our mine plan that has given us a much stronger understanding of our geologic situation, and

will take away some of the challenges that we've had in the past. As Nevada Copper, and Pumpkin Hollow. So again, not disrespecting the Pumpkin Hollow, but Anthem Copper. The Anthem Underground is now referred to as Anthem 1, and then Anthem Open Pit is the open pit. We will come up with additional names as we develop other deposits. In the last year, following all of the studies that we've done, they've fed two main efforts. Both permitting, which is probably the most critical one, we've submitted our, our two critical water pollution control permits and our reclamation permit renewals. They include the hydrologic model updates. They include the geologic model updates. So, they are much stronger permit applications. Those permits are at the Nevada Department of Environmental Protection right now for review. They will go to public comment, so the public will have an opportunity to comment on those. They'll be able to review the public... or review the permits. They'll be able to review all the studies that went into those permits and they'll be able to comment positively or negatively, challenges, concerns. Please provide those comments to NDEP. We will, on our website, provide, the different access points for people to not only access the documents, but also provide those, as well as on NDEP's website directly. The other piece is engineering. So, these are the 2 key de-risking items that we've completed now, and we are moving it. Once the permits are approved. Those are the gating item. We will move into the next phase, which is the execution phase, and that will be procurement underground construction and then operations. Really, when it comes to the, you know, the challenges that Pumpkin Hollow's had to date. Everybody is fairly aware of what's gone on. Our parent company, Kinterra, has allowed us to do a lot of work. It's... we've spent a lot of time and a lot of money and a lot of effort making sure that we are improving the operations, we're improving the way that we interact with the environment and with the community, and we're improving everything we do to make sure that this is successful. We will not turn this mine on until we are sure that all of these de-risking items are completed. And that's when we get into the execution phase. I very much like the word procurement, so thank you. What's that, sorry? I said I very much like the word procurement, so thank you. Procurement, yeah, and when it comes to procurement, you know, both procurement workforce development, all of those execution phase things, we will focus locally first, where we can. Obviously, there are some times we're not able to do that, but we will focus locally. We will keep in constant contact with Mr. Bryant and this council ensuring that, you know, I've heard a lot of comments about traffic. As we bring more people in, that will impact housing and things like that, so we will continually have dialogue with you to make sure that you are up to date so that you're not blindsided by, oh, there's 350 people that we're expecting to hire in the next 2 months. That's not the plan. Our plan is to do it over time in a phased approach, carefully, and with the City of Yerington in lockstep with us. Right now, we have about 91 employees on site. About 78% of those people are residents of Yerington or of Lyon County. So, from longer term, that was a shorter-term view, getting us to a restart. Longer term, this is essentially the project timeline. 26 and 27, what we've been focused on, I've talked about this de-risking and operational readiness. That will include construction of new facilities, most of those are underground, or they are to improve our process and our dewatering, so we're looking at building some new rapid infiltration basins to return water back into the ground that we pull out from the underground. And then the most major one will be an underground crusher and a process pond, and that'll allow us to use less water in the process system, so we're more efficient with our water usage. Again, major procurement activities and underground workforce ramp up that underground workforce ramp up is planned for the end of this year, going into 2027, 1st quarter of 2027. The 1st phase is only about 75 to 80 people. Ultimately, at full steam, we should be about 325 people for the underground alone. 2027 operational restart, what that looks like is completion of construction and moving into operation. We will start development early in 2027 that will allow us to stockpile or feed, which will give the mill when we turn the mill on in about mid 2027, we'll give it a constant feed so there will be no hiccups if there's any challenges with development. 2028 through 2043 is just planned operations achieving sustaining our nameplate capacity and then

closure and reclamation 2044 and beyond. The closure and reclamation, for those interested, will be a part of our water pollution control permits, so you can see exactly how it will affect our reclamation plan, our closure and reclamation plans. That's a quick update on the underground project timeline and the status where we are today. I do invite the public, this is an open forum, to a, open house on October 21st, 2026, from 6 to 8 p.m. We will have a much more in-depth discussion. We'll be providing a presentation. We'll have several subject matter experts at the open house, where you can have discussions on any of the topics you want to talk about geology, mine planning, geo tech, hydrology, all of those individuals will be there. Please come and join us. We want to dialogue with the community. We want to understand where your concerns are, and we want to make sure that we're addressing those concerns and at the same time, if you... if there's an interest to come out and see the site, unfortunately, we're not operating, so it's not very exciting. But there... there... if there's any interest there, please feel free to, let me know. You can go on our website or email info at anthemcopper.com and we'll be happy to show people around. Any questions? Councilman Galvin stated I do have a couple, couple concerns, not necessarily questions, but if you guys are changing your name completely, which is what it appears. I'm not sure if you guys need to come back to the table and reapply for all the special use permits, all the name changes, everything needs to be updated. If that's your guys' goal, is getting rid of Nevada Copper, which I totally understand what you're doing. I think all of the permits need to reference that. I don't know that production or anything has to stop. I just that it needs to come back to the table and have the right name. Second of all right now, you're only at 100 people, roughly, going up to and from the mine, you know, 5-6 times a day, or 5-6 times a week. I know a lot of the mines have transportation. If you guys are still in the planning phase, which you are, I think you guys need to establish some kind of a parking area so that there can be buses up to the mine, like a lot of the other mines, so that we could eliminate some of the, issues on the road, the traffic, the, you know, obviously the destroying of the pavement, stuff like that. If we could have a bus, 2 or 3 buses, instead of 100 vehicles, I think that's the route you guys need to take. Tracey Thom stated yes, Mr. Galvin, we, actually, that is our plan. So we're in the... right at the end stages of completing a traffic, a traffic plan and a traffic study. Basically, what that traffic study told us was exactly what you just said, is that we need to establish a busing system. I've been working with Mr. Bryant on some potential locations in town where we can have people meet so that we're not causing challenges in, especially, like, on Main Street and in some of the main arteries in Yerington. And then, to your point, 2 or 3 buses traveling up to the mine, and then also finding, you know, a way that makes the most sense. So, again, not causing those artery challenges. As we start to ramp up, I also discussed with Mr. Bryant on the permit, I gave him a heads up about a week and a half ago that we were going to be making this main name change, and so, we will be applying, not necessarily for a new special use permit, but to ensure that all the permits are changed, amended to Anthem Copper. Councilman Galvin stated awesome. Thank you. Councilman Beaton asked do you have an estimate on what that procurement's going to look like over the course of that phase? Just for the folks in the audience who may not know the big budget hit that our city has taken on over the last couple years has been largely driven by the pause of operations up at the Pumpkin Hollow Mine. So, do you have a rough idea of what that procurement cost is going to look like? Tracey Thom stated that procurement's going to be, two-phase, right? So there's a capital component, there's an operating component. Obviously, we're going to see a significant ramp up in, you know, consumables. That's across the board fuel, lubricants, building materials, everything. And then when it comes to the larger procurement, so we do have some long lead items, new pumps, things like that, but there's also a fairly large construction effort that has to take place. The process pond, most of it is, you know, sort of bulk earthworks, but there's a process pond, and then those... those rapid infiltration basins are going to take quite an effort, and then there will be some, you know, associated piping and things like that. So it's really across the board for us. Significant. Yeah, steel, wood, you name it. Councilman Beaton stated We've also had a couple meetings together talking about the

water needs of the mine, and you had kind of pinpointed October to be that month of, like, we might have a really good understanding. I also understand that things can change and stuff happens. Do you have an updated timeline on what you guys feel like your water needs are going to be, so that we can take a look at reevaluating our lease structure? Ms. Thom stated for the underground, yes. For the open pit, no. The open pit, we're going through a feasibility study that will be late Q1 2027, when we'll understand the open pit needs. Councilman Beaton stated he would love to chat about that again when you guys have some numbers and everything. Mayor Garry stated maybe just by a quick show of hands from the audience, how many people would like to make a comment or ask a question about this? Two of you, okay. Ms. Thom, I'll tell you what, to make it a little easier on you and the audience, could I ask you to assume the chair over there by Chief Clanton? You'll have an open microphone. I'll let people come to the podium. All right, public comment. Welcome to the table. Mr. Rosachi stated for the record. I guess my biggest concern would be, a couple months ago, you had the study of the population of Yerington is 65% over the age of 55. We have a lot of high-paying jobs moving in, a lot, between the Anthem and the data centers and everything that's coming in. It's going to bring in a lot of people. The majority of the population is not going to be eligible for these jobs because of age, physical limitations. And as those people are moving in it's going to take the housing prices, which in that same study showed that they are higher than average, and the cost of living, which is higher than average, and it's going to increase those. And I want businesses to move in, I want progress to happen, but as somebody who's had to rent to live in this town for 20 years. It is incredibly difficult to rent here. And there's no alternatives that are on the pipeline to help with that. There're the RV parks that are coming in, but that doesn't help anybody who's currently living here. And that's not going to sustain all of the growth that these businesses are bringing in. And we also have the sewer system, which is already struggling with the population as it is. And we're moving in a lot of people. And we need to do that, but we also need to make sure that it's taking the 65% of people who are over 55, the people who are under 18 who can't work, and the physically disabled, which, I mean, conservatively, if it's 65% is over the age of 55 you're talking about 70-75% of the population who's not going to be able to get a job at these high-paying jobs, but is going to be dealing with the cost of living increase that comes along with all of that. And that's one of the big concerns that I have. Mr. Solari stated I'd like to know the difference in Anaconda open pit mine and Anthem open pit mine, as far as where are we putting all the wastewater? I know the last person who went bankrupt trying to get the copper out said, the copper's down there, we just can't get it up here and make a profit off of it. The way to make a profit off it is to just desecrate our earth, dig a big pit. If we had a window here, we could all look out and see what Anaconda Mine did to us, and I'm not just talking about looking at the big unsightly mound of dirt and such which my wife funnily thinks, can we just push that all back in there and fill that hole? But what the problem is all joking aside is toxic of that water. Anaconda Mine, Anthem Mine. What's the difference in the open pit mine? It destroyed this community for a long time. I'm not trying to say this aggressively toward you, I just like answers to questions, which a lot of these questions always kind of get muffled underneath. It's like, well what are we doing with the wastewater right now in the mine that's dug into the ground, not the open pit mine? There's a lot of water down there. You start digging an open pit mine you're not connected to the sewer system up there for Yerington, thank God, because I wouldn't want that water going into the sewer system. What does open pit mine do with the water that's toxic? Because you're going to come up with toxic water when you're doing this kind of process. You can't just go off to the neighboring field and just spray it out over there. It all ends up in our water down below. I'm not an expert on water aquifers. And I'm really concerned about this because I live right down the street from that mine. Ms. Thom stated Yeah, so, a couple of things that we do. I'll focus on the underground right now, because that is what we're doing today. Okay. And I'll talk about some of our planning as well. With the underground mine, what we do with the water, some of our water is used in our process plant. It stays in a closed loop, it never leaves that

process plant loop, so it never gets exposed to the environment. The water that we do not use comes up from the underground, untouched. I mean, it's touched, it comes up through a pipe, and goes right into rapid infiltration basins and goes right back underground. One of the things that you will see if you review the water pollution control permit is we're putting a, water... I'll say... I'll call it a water treatment, it's really just a water modification plant that is actually going to improve the native water that comes out from underground and re-infiltrate it back underground. The plan is to duplicate that same system for the open pit. So, our goal is to actually improve the water that we're taking. We're not affecting the water, but it does have high levels of some constituents that people, specifically arsenic. And so, our plan is to actually try to strip as much of that out and reintroduce it, so we're actually going to improve the water table. Mr. Solari stated Okay, what is the chances we can get an outside agency testing that water, other than the people who are making profits off of this job, which includes us, the city? The city makes money off this, and I want the city to make money. I want Yerington to survive, but not at any cost. OK. Thank you very much. I appreciate your time. Thank you very much. Mayor Garry stated Don't forget, they did offer us an open house on October 21st. Mr. Solari replied Yes, but if we can have that conversation here, not just downtown, and I appreciate this right here, because I want to have that. Ms. Thom stated Yeah, I'm happy to quickly answer that question if you'd like. With respect... sorry, could you ask it again? Mr. Solari asked how we can have an outside agency test in the water, like, the city to test it. No offense towards the city, I'm not pointing any fingers, but they make profit off this. Yeah. We collect taxes. Should be someone who has no stake in the game that just looks at it and says, yeah, outside agency testing it. Not anybody from some current or pending administrations, or just someone who looks out after the safety of our water. Ms. Thom stated Yeah, so we have 3 ways that that gets addressed. That is addressed through a third-party, lab. All of our water gets tested every month from all different locations on our site. The Nevada Department of Environmental Protection monitors all of our testing, and then we also have a third-party hydrologist that watches all of our water as well. Of course, available to the public. They're available on NDEP's website. You can go and look at them right now. Ms. Biggs asked Have you talked with the Yerington Paiute Tribe Nation and the Walker River? Ms. Thom stated they have reached out to both. Ms. Biggs asked so what happens when you find the artifacts out there? Ms. Thom stated Which artifacts? We... there... we do have some areas, that I cannot point out for safety reasons, that are... have been identified as, or sorry, as, archaeological sites that are protected. They're monitored on a monthly basis and they are not within the influence of our operation right now. Ms. Biggs stated Right now. There will be some found. Ms. Thom stated if there are, we'll treat them as we would with any archaeological site. We will get a third party in to review and create a treatment plan to make sure that we are not impacting, specifically with respect to the Paiute Tribe and a third party. Ms. Biggs asked third party? Ms. Thom stated yes, and archeologist party. Ms. Biggs stated because oftentimes what happens with those artifacts, they end up in Washington, D.C. in a basement somewhere, and I think it's important that they stay here. Ms. Thom assured her it was duly noted. Ms. Biggs then stated I think you should address both those nations, the Walker River and the Yerington Valley Nations. Ms. Thom stated like I said, we've reached out to both of them, and our plan is to work again in lockstep with them, so that they understand all of the work we're doing, and that they have a say in our development. Ms. Biggs asked And could I see who else is on, Zoom? When we've had public comment, it's never said, is anyone on Zoom? City Manager Bryant stated you're welcome to log into it and see. Ms. Biggs stated she couldn't hear that. City Manager repeated you're welcome to log into it and see. Ms. Biggs stated Jerry, it's me, Robin Biggs. Who else is on Zoom? I think it's really quite inappropriate. Other meetings they show who's on Zoom after the public comment in the room is done, then the Zoom screen comes up and the whole public gets to see who's on there and if any hands are up. So, we don't know if anybody from Walker River is on, Paiute Tribe. City Manager Bryant stated that if somebody raises their hand it would produce an icon on the screen that we see. Ms. Biggs stated

show it because you're not set up to it or you're just refusing? Councilman Beaton stated meeting attendees have the right to privacy and you do not have a right to the signature list or the Zoom attendee list. Mayor Garry stated that her 2 minutes were up. Ms. Biggs asked is that right? Is that right? Councilman Galvin stated just because somewhere else does it doesn't mean we have to do it, Robin. Just because you think that's the way it is, that doesn't mean that's the way it is.

7. **For Possible Action: Discussion and Possible Action to approve Phase II of the Harvest RV Resort Concept, on behalf of Pony Express Village, LLC (APN 001-231-28) located at 300 Perumean Lane. Phase II proposes development of an additional 127 RV Spaces over a 24-month period.**

City Manager Bryant stated We're back before you for seeking approval for Phase 2 of the Harvest RV Resort concept. This is the item that we had before you for the last meeting. We approved Phase 1, which was basically 60 RV spaces to go within 20, what were mobile home spaces there previously, and now we're seeking approval for Phase 2, which would introduce an additional 127 RV spaces for a total of 187 between Phase 1 and Phase 2. There would still be 10 acres, or approximately 10 acres of undeveloped property at the very south end of the property which would be developed in the future under Phase 3. It is yet to be determined exactly what direction that will go, whether it'll be multifamily, maybe it'll be something else for mobile homes. That's something that we will work with the project on as things get closer to that time. And again, this is approximately 29 acres zoned RC, and the reason that we're bringing it back to you at this point is as the project managers are getting closer to development, they're working on their funding, and we're trying to ensure that they have approval for the full concepts of Phase 1 and 2 before they finalize any funding for the project. But again, this is the map of the area that we're talking about. This is, right there by Perumean off of Bridge Street, and so we're focusing on the first 3 quarters of it, I guess you could say, kind of the back there where you see some of the development down towards Bridge Street. And again, that back 10 acres is what would remain undeveloped at this time. And then these are all images that we've seen before. That part has... it hasn't changed, it's just a matter of seeking approval for Phase 2 to begin as well. Councilman Beaton asked did Phase 2 go in front of the Planning Commission? Refresh my memory because we've been working on this one for a bit. City Manager Bryant stated It wasn't necessarily identified or called Phase 2 as it went before the Planning Commission, but the whole concept, the whole special use permit was presented to them back in August. They weren't necessarily broken out as Phase 1, Phase 2, Phase 3 at that time. Rather, the special use permit application was essentially just for the APN in general, which did have concepts in there for the addition of the RV slots. Councilman Beaton stated So, what we're looking at today has been viewed and voted on by the Planning Commission. As a whole? City Manager Bryant stated as a whole. Yes, as a special use application, because the application pertains to the APN, which is 29 acres. And then, of course, it had the concepts on there, and what we've done before the Council has drilled them down, broken them down a little bit further. Councilman Beaton stated Perfect. Before somebody puts a shovel in dirt, I just like to know what Steve Douglas thinks, so that's... that's good to know. City Manager Bryant stated for the public benefit, I'll just scroll through a few of the other images here, kind of what we're looking at. These are some of the concepts that have been provided, as far as a clubhouse, things in the center, what the view would look like from Perumean facing east. And then, of course, there's talk of using that green space in the center of it as a retention pond, as well as some green space for the project. Councilman Lopez asked and just to clarify, a minute ago when you said phase one, phase two, phase three, there's only two phases, right? There's not a third phase coming in? City Manager Bryant stated Phase three would basically be that vacant area at the very back of it here. Okay. And again, that's yet to be determined specifically what that phase would consist of.

Councilman Beaton stated So, obviously, the landscape of what our housing needs and what shelter looks like in town is changing wildly left and right. Is there the flexibility, not saying that we would even have to at some point, is there the flexibility with how you guys are developing these lots for any of them to revert back to their original purpose of being manufactured homes, or is your guys' long-term, this is what we are now, an RV resort? Dean Stevenson stated We're certainly open to either of those possibilities. We're trying to address the workforce housing, which will relieve pressure off your local housing for your residents. I'm the CEO of a power line company that's working out at Libra Solar. We have workers that are, in fact, renting houses in the town that is taking from your residence. And if we have this park going, they would be in the RV part. I've been in construction for over 40 years, working four states. Most of our workforce stays in the hotels, the motels, the RVs. That's their first choice when working on a job they'll only be at for a few months, So, if we can figure out what to do with this afterwards, great, but we see where both are viable. What's more viable at this time seems to be more of an RV resort. Absolutely. Apparently, in our research that we've done in the last few weeks, we've found that all of Northern Nevada is desperately in need of more RV-type resorts. There's a high percentage of ownership of RVs in Northern Nevada. 10th in the nation, and there's not enough Rv. Places for families to go for 3 days, 4 days, tourism type of things, and they don't necessarily have to be at natural water resources. You can have man-made amenities that will attract people to places like this. So, we do see that possibility in the future, but do not know exactly. All we know is for the next 5 years or so, we'd like to accommodate the workforce housing and relieve some of the stress off the local housing rental, but when we get to year 8 or 9, and the construction jobs have become permanent jobs, there is the flexibility within your property to revert back to more single-family permanent housing. Certainly can. The back 10 acres would accommodate probably 70 or 80 mobile homes alone. We're not sure that that could actually accommodate, under your current regulation of about 22 per acre. That would hold about 200 apartments. That's... that's a very viable option. That's, I think, where we're leaning, that Phase 3 will probably be best purpose is apartments in a few years. City Manager Bryant stated can I make one more recommendation? And that is, when we complete Phase 2 and we get ready to transition to Phase 3, we'd like to ask that the project managers do, at that point, if it is going to stay as an RV park, then we do rezone it over to C2. We've had that discussion. Okay. But if it's going to remain an RV park, it would need to rezone over to C2 at that point. Councilman Beaton made a motion to accept item number 7, seconded by Councilman Lopez. Mayor Garry asked for public comment. Mr. Rosachi stated At the Planning Commission, they had requested a study for, similar RV parks, how much, impact they had on the sewer systems, and I was wondering if that had ever been done. Leah Wilkinson via Zoom stated First, a comment. The plans for the RV resort look really good on... on the... on their face. I hope that this high-density housing Will positively impact our law enforcement, of course, our utilities, and then there's a bit of concern about, pets, because there can be a lot of pets involved. But, you know, it looks good on its face. So, my question is for Councilman Omar, who lives nearby in the housing. And I just wondered, Omar, if... if you've heard any feedback from the people in the housing. I know that letters were sent to all neighbors. And I just hadn't heard anything at all about what they think about the impact of this in their area. Thank you. Councilman Lopez replied I'm going to speak on that. Leah, I went and spoke to my neighbors, and as of right now, no one's complained, everybody's on board, everybody wants to see this grow, and we're all excited to see the new look that we're going to be seeing from our side out that way, so... As of right now, none of the neighbors have complained, everybody's on board. Councilman Beaton stated City Manager Brian, just because our sewer capacity has actually been brought up a couple times today, we're only running at, like, 50% capacity on our sewer, right? We have several empty ponds, and definitely the ability to take on more customers. City Manager Bryant stated That's correct. We're currently running at about 50% capacity. We have four sewer ponds of which we...

and they work in unison, right? You use two at a time here and two at a time here. We have the potential to run all four ponds, but we've currently been running two ponds because we're only at 50% capacity. With that, not only could we double the number of users and still essentially be at capacity. The more users we have on our system, the actual better it is in terms of your monthly fees. Because when you're spreading that cost of operation, the more users you can have on the system, the better. It will actually help reduce that number right now. There's talk internally of possibly needing to increase our sewer fees, and unfortunately, significantly, we're trying to come up with the right number for it. But it's because we have so few users to run such an expensive operation. The more users we can get on that system, the better it is, the better it is for the public. We do have, engineering happening with Dowl as well. We work with the, developer, as well as Dowl Engineering, to fine-tune any engineering for the project before it moves forward, just to give that assurance to the public. The motion passes unanimously.

8. **For Possible Action: Discussion and Possible Action to approve a Special Use Permit application submitted by Terry & Ginger Carpenter on behalf of Second Mile, LLC for operation of Hawkeye Mobile Home Park on APN 001-011-46 (500 W. Goldfield Ave.). This item was recommended for approval by the Yerington Planning Commission on September 23, 2026.**

City Manager Bryant stated What we're talking about here is the existing mobile home park of, it used to be called Greenfield RV Park, now they refer to it as Hawkeye. And again, just making sure that all of our mobile home operations here in Yerington are on an active special use permit. They also went through the application and through the steps with our planning commission. And we're back before you today for final approval. There were no additional conditions or anything placed on our Planning Commission or anything of reference to rectify. Rather, it is simply just the recommendation to approve, but as you know, it's a requirement by our city ordinance that all mobile home parks and RV parks operate with a special use permit, and this one would be for a total of 56 existing mobile homes and 35 existing RV spaces. Councilman Beaton asked Do you remember the vote at the Planning Commission? City Manager Bryant replied unanimous. Councilman Beaton made a motion to accept item number 8 as presented, seconded by Councilman Lopez. Mayor Garry asked for public comment. No comments were made and the item number eight passes unanimously.

9. **For Possible Action: Discussion and Possible action to approve the 2026 Civil Infractions and Collections Procedures Policy (City Manager Jerry Bryant)**

City Manager Bryant stated Now, again, this item is a continuation of our effort to reinforce a procedures and policy handbook for the city operations. This one comes to us from the Municipal Court, just establishing a process on how we either send somebody to collections or make sure we collect on it before it goes too far. In essence, it is basically a process that after 90 days, we would then try one more time, attempt to reach out to the person to collect our fine that they were issued by the Municipal Court. Otherwise, we send them off to collections, and of course, there is a 25% service fee, but I believe NRS caps it there, where you can't charge too much on it if you were proceeding. You have a reference here showing you the statutory maximums with each fine and what that collection fee would come to. Basically, this is just our process to collect our money that is due or send it to collections. What I have on the screen here is a very simplified version of it, of course. What's on our website and what's in the packet there is about a 5-page step by step process that our Court Clerk, Clerks and our Judge work through that to get that collection. Councilman Beaton asked if our Judge, Clerk and everybody is fully on board with this process and establishing

these steps. City Manager Bryant confirmed they were all on board. Councilman Lopez stated I think it's good that you guys took the initiative to get all this done and put in place. Yeah, credit goes to our court clerk and judge for carrying a lot of the weight and working through this process to make sure that we start collecting these funds for the city. Councilman Lopez made a motion to approve item number 9 as presented, seconded by Councilman Beaton. Mayor Garry asked for public comment, no comments were made and item number nine passes unanimously.

10. For Discussion Only: Review and Discussion of the City of Yerington 2025 Master Plan, Chapter 6, titled Housing. (Requested by Mayor John. J. Garry)

City Manager Bryant stated this is all relative to a lot of what we've been discussing today and over the last several meetings. As a city, we are in need of more housing. I think everybody would agree with that. What we'll do is we'll dive right into the master plan that was put together in October 2025. Chapter 6 of our master plan identifies housing and some of our needs and where we currently sat at that time. A lot of the data comes from 2022 which is what you'll see in a lot of the graphs that I share on the screen here. But we know that since that time, we've had little to no movement in a lot of these areas, so it is still very relevant to us. Basically, looking at the first one, you'll see the components or the mixture of the house things that make up our small community. Single unit homes have actually increased there, even though we had very little movement in terms of production. So, the increase in percentage was actually by withdrawal of other available properties that were out there. Things like your 20 plus unit apartments. Technically, anything over 5 is considered an apartment at that point. Then you have your 2-4 units, things like your duplexes, multiplexes, things of that sort. And then your mobile homes, RV parks, again, also saw a slight decrease up to 2022. Looking at this as a small community. How much of that is actually made up of single-family homes is actually a little concerning. You hope to see a little bit more on the apartment side. This will tell you that we have a severe need there, and that decrease in mobile homes and RV parks was also a little concerning. Then when you look at our median home values, they increased from 2012 to 2022 by about 74%, and while I'm sure that any homeowner welcomes that increase, at the same time, you saw an increase of 188% in the state over that same time. Lyon County saw an increase of 118% over that time, so while home values were increasing, they were increasing at a much slower pace here in Yerington. Some of that could be, stated that it's because of our economic, stagnant sitting at that time that we didn't have a whole lot of economic growth. In fact, we actually went backwards a little bit economically here in our town over that time and that would be a very close relation to what you see on this graph. And of course, I think now we're seeing a little bit of an influx, which is starting to bring that number back up. Looking over here at the City of Yerington: housing unit values, same information that we were just looking at over there. When you look back at 2012, we were much closer to what the state average was, much closer to what the county average was. But as you can see, as we kind of recessed and went backwards with our local economy the state and the county continued moving forward. Now there is a greater disparity between where we sit and where to county and state sit. Then you go over to your home values. What this is going to show is basically what bracket were the home values sitting in. Were they mostly in a range of \$100,000 to \$200,000? Were they over \$200,000? And you'll see that we had some increases there. We saw a pretty good shift from that \$150,000 to over \$200,000 in home value. But again, we didn't have a whole lot on the higher end, and when you look at the decrease on the more affordable homes towards the bottom, that's also concerning, and that's where we start to have that need to introduce more affordable housing, and again, really, you know, my personal opinion is that there's... the term affordable housing is a little deceptive, right? Because producing homes is not affordable. There is no affordable housing per se. The only way you achieve that is getting diversity in your homes. You know, what is available,

and that should create more affordability for the community. Councilman Beaton stated so, to your point, I truly... and that's why it was good to put up the conceptive plans, at least, of the back 10 of the park we just voted on was a target for multifamily because I think given our area's economic makeup, multifamily housing is going to be the secret to unlocking a lot of affordable housing, as you can put it. And I definitely, while we need more single-family homes, the development of multifamily, I think, is going to be the most important thing for our community. City Manager Bryant stated I think you're spot on with that. When you look back at it, I'm gonna back it up just a little bit here, too, and you look at some of those 5 to 19 units and 20-plus units and their availability. It's a critical need in our area. And that's something that when you introduce those homes, should help with the availability and therefore the affordability for the market. All right, and then we look at the age of our homes, and this, again, you'll see that 3.5% at the very top of this pie chart, that's how many of those homes were built over that time that's, again, a very concerning number, because it shows that our home development was stagnant, just kind of a flat line during that time. Whereas your past, you would see 22% at a time, 15% at a time. We had that 2010 to 2022, where only 3.5% of those homes were built. I'm happy to report that so far this year, we've already seen significantly more home development, and we're hoping that that trend continues, because again, the additional rooftops does lead to additional fees that the city does collect. It helps us out. It leads to additional tax revenues for the city. It brings additional users to our water and wastewater systems, which then helps spread that cost over those additional rooftops. There're many benefits that help our community as well as, again, more inventory can oftentimes help the pricing structure of those homes. So, again, this is our vacancy rates. We've talked about this one a lot, that 1.3% figure of vacancy rate as of 2022. Again, I would argue that that number is much lower today, and that's a little bit scary when you look at it as far as just that solid number. Compared to the county of 5.3, and then compared to the state of 9.8, it shows that there is a lack of available housing in Yerington significantly and as such, you can see that the number was decreasing, really ever since that 2016 time, getting lower and lower. And again, it's just a very concerning number, alarming number, so we're hopeful that we'll see more and more development continue to come forward. Then the last one here is how many of them are homeowner occupied versus vacant owner and we actually saw a sharp increase in that, where there's more owner-occupied housing, and from a community standpoint, that can be a great trend because typically, your owner-occupied housing does have a little bit more vested interest in your community, and therefore they... they expend additional resources in our community. So that is something that we do like to see the contrast to that is that that may also mean that there's less rentals out there, which, again, would go back to the need for multifamily housing, rentals available, apartments, things of that nature and in a summary, that's about 10 pages and about 2 minutes. That's a summary of our master plan at Chapter 6 on housing, and I'm available for any questions. Councilman Beaton stated is the catalyst for our sharp increase in applications the development happening in our area? It is. That's a key reason for a lot of this development. Yeah. I think, because I absolutely get every single time I talk to somebody that we don't have the housing for what is coming, but I don't think that we were going to have the housing for anything should none of this come. No, and I would tell you that a lot of times you need the demand to happen first before the developers will come, because in order for a developer to come here, they're going to pass on projects elsewhere, and that they're probably only going to do that if it makes sense for them to be here to pass that up. We had no reason for the last 10 years for developers to really look at our areas. You saw the lack of development over the last 10 years. In fact, some of our multifamily housing went backwards. Right? As buildings were aging out and closed down. So, in order for development to happen, there has to be a reason for those developers to come here. Sure. And unfortunately, there's no special formula that you can make everything keep up with one another. Usually, there has to be demand before they show up. Councilman Beaton stated Well, I

absolutely appreciate you and Mr. Douglas and everybody else that's in on those one-stop-shop meetings that we've been having with these developers. The fact that they can come to City Hall once, get all of their questions answered, get all of the feedback that they need and move forward, is amazing, right? And it's going to give us the competitive advantage over other municipalities or the county itself. So, thank you guys for how hard you're working on making that happen. Thank you, I appreciate it. City Manager Bryant stated we have been striving to make ourselves available whenever needed to meet with developers and have these discussions in the... in an effort to bring beneficial development to our community. Mayor Garry asked for public comments. Mr. Rosachi stated I just want to say thank you, I agree, I think multi-housing family is very important. Like I said, my big concern is that there's going to be that lag in between. But no, I definitely agree, and thank you.

11. **Agenda Requests:**

Councilman Beaton stated During our Anthem presentation, I hinted at it, but I would like a Public Works Committee meeting far down the road, to discuss that water usage and lease once they are ready, but I just want to make sure that that's staying on our city's radar.

12. **Public Comment:**

Dave DeGrendele stated I've heard all kinds of complaints today, but I want to give an attaboy to the Main Street Committee. Looking at the new signs and banners and whatever. It looks wonderful out there. As far as some of the comments we've heard about traffic and whatever, a lot of it belong to NDOT for their different signage and speed limits and whatever and, of course, more enforcement, but we moved here 23 years ago because we chose Yerington because we wanted a small town and we didn't want the high taxes that we were getting across the mountains in the Sea state. I suppose we could get more enforcement by raising our tax rate and gifting more to the Police Department, but with what they've got to work with, I think they're doing a real good job. Ms. Biggs stated Jerry Bryant, the City Manager, his... what he put on Pizen Switch nearly weekly is really good, but the hot topic of the... of the intersection of Main Street and Goldfield, that stop sign was up there, did... is anybody going to look into that? Did NDOW put that up because people were blowing through there and going in and crashing over. That was the last time it got put in was that car crashed into the old Chevron, It's now Sinclair. The kids don't know not to ride their bikes and scooters across in the crosswalk, but that sign, again, go find it and put it up. Jerry said all this intersection's going to be good, and it's out to bid, and NDOWs going to help him and it's coming together, but he also told me in private a couple times that it's not going to. The repaving out toward to the fairgrounds and all isn't going to be done for two years and but, he'll deny it. I've had a problem with that, but that solar panel needs to be up. People just blow through the stop sign down at, Sticks and Stones and Wells Fargo, and part of it is because that sign isn't a normal placement, because of your muscle memory driving, and the red sign at Wells Fargo, if that sign blends into it, and especially at night. There's no reason why it can't say on the road, four-way stop sign ahead at the intersection of Main Street and Goldfield, and at Bridge and Main Street. And that's, you know, that's just the tip of the iceberg, but, you know, just say, oh, it's coming together, it's going to come together. Two years is too far. That sign needs to be put up that had the flashing lights and the solar panel on it. And I think they were wrong in taking it down. For that intersection, I... it was just wrong. I try to focus on what you all are doing right, and I wish you would focus on what I'm doing right, but it's pretty hard when Mr. Beaton lashes out at me like he did. Phyliss Hiskett stated this is kind of a city/county comment and it's regarding the housing especially because we have the aging population, but if we could re-look at the rules and regulations for ADU/guesthouses on properties like on an acre or more. You

could possibly be producing more housing and also helping population. I don't know all the rules, but I know there's been cases where it's hard to get them in because of the rules. If those could just be re-looked at, we could also assist with some of housing. Mr. Solari stated I just would like to talk about comment on if we could see the city make... benefit more from all these big projects in the state. In the county that are right here in our backyards. And I don't know the exact numbers, but it seems like, you know, we're having to raise our sewer rates to make things work out, and sell on our water to get our share of this money out of these projects, but it seems like we should be standing up at these county meetings and dealing with the state, saying, look, we're the city here. Even though we're small, what are we getting from this? Now, I know the hospital's expanding and growing, but if you want people to move here, we want developers to come here and build apartments. I don't know how many people have been involved in the... it takes a lot of years to recoup your money after you build an apartment and a lot of the big, successful states we're surrounded in, in counties, they get money from these projects for a project to put people in housing. And it's not a payback. They say, we're going to put this towards Yerington. It just seems like Yerington's getting the short end of the stick. I know it sounds like an obvious comment, you know, but there's got to be a way we can stand up to these developers on all these state and county projects. Lyon County's making out like a bandit. They collect a lot, all these projects popping off. Where does Yerington stand on this? You know, we're the county seat here, we're a small city, and it, you know, I know they get loans and we have to pay them back and such, but how about these developers coming in saying, look, we're pitching this towards your hospital, we're pitching this, I know they do towards the schools, they help out, but it just seems like on the tax basis. Because, you know, this is in county here, and I know with this new mine coming up here, that is in Yerington, and that's going to help Yerington, that's great. But that's only, like, 10% of it. The other 90% of these projects you know, this is Yerington right here. What are we getting? You know, we don't need a new grocery store, but what do we need some more hospitals? How do you get people to want to move here? I'm not trying to sound sarcastic, but it's not by telling them, hey, we're going to start the whole data center thing. Just, there's got to be these projects. There's some way that Yerington, the city of, should get their 10%. They say, Leo, that's in county. Doesn't help us. ng to build some more data centers, come move here. They'll be like you know and I'm not going to start the whole data center thing. Just, there's got to be these projects. There's some way that Yerington, the city of, should get their 10%. They say, Leo, that's in county. Doesn't help us. But if we could look at that, and just be more aggressive towards the counties, and it's probably a pipe dream, but how does that work? Because we're the city here, they all come through our city. They all drive on our roads, and I know most of them are county or state, but I wish I could see Yerington collecting more on these taxes, and I'm not saying that, well, we should annex that property and make it Yerington property, but no, just talk to these big projects, say, we're the local city. And again, I don't know how that works. That's your guys' department, but it seems like we're all kind of getting the short end of the stick.

13. **Department and Elected Official Reports**

A. **City Attorney Report:** Nothing to report.

B. **Chief of Police Report:** To the comments you made earlier, I got on the phone as you mentioned them. Now you're into PDM, I'm only running six people right now. I can't be everywhere. It happens to happen in front of me, I'll get it. But if it doesn't there's not much I can do about it. I did reach out to NHP and Sheriff Pope. They're both going to send a bunch of people my way to help out with some of this as it goes on, so I get these new people hired up to alleviate some of this, also with their commercial units from HB to come out and check the big rigs outside of town. So we'll get some of the commercial unit guys from the state out here also to check out all

these roads. As far as changing anything on Main Street, that's NDOT, not me. You go through NDOT, as far as speed limits and stuff, it has to go through NDOT. You can shake your head no, but that's just the way it's going to be. Go through them. To answer your question, we did handle it right now. Best I could do is get more resources in here. The sheriff has been great at helping me with those, so he does have a traffic team, that we'll come out here, and then we'll get around the schools and everywhere with their traffic team and our guys together, and hopefully slow down a little bit of what we got going on. Because there is a big influx of traffic. We see it every day. Goldfield in Maine is huge. It's, again, I need to get more eyes out here and if we get state NHP guys and stuff. Again, these surveys that they are doing at Goldfield or Golden Gate 95/339. Goldfield and 95A here, hopefully I'll help some of that out, too, move things a little bit quicker down the line. Halloween is, what, the 31st this year? Yes, sir. Every year. And we're actually going to observe it on the 31st this year. The recommended times for that would probably be like from 5:00 pm to 9:00 pm. We will probably have a road shut down during that time so watch out for those.

C. **Public Works Director Report:** Absent

D. **City Manager Report:** Just a quick reminder that the Chamber of Commerce, is partnering with the city to host a candidate forum this Thursday. Doors open at 6 p.m. to meet some of your local candidates for, both city and Lyon County offices. We also have a Planning Commission meeting scheduled for October 28th at 3 p.m. Normally there are four, but we're doing it at three that day. It is a feasibility discussion only item about the River's Edge Housing Development Project, which is also over there near Perumean and near Sprague Drive there on Bridge Street. The proposal is for some additional single-family homes to be developed in that vacant area. The Planning Commission meeting starts at 3 p.m. rather than the regular 4 to allow for a trunk retreat to happen, and I'll let Councilman Beaton talk a little bit more about that one.

E. **City Clerk Report:** Nothing to report

F. **Council Comments:**

Councilman Beaton: We are trying to combine all of the city's many trunk or treat efforts into one beautiful event on Main Street, instead of the normal Thursday, this is going to be Wednesday, October 28th. There's a whole pile of things happening Thursday evening. We have a home football game, we have a home volleyball game, and our undefeated soccer teams will be headed off to state. So, we just want to make sure that everybody can participate. So that's Wednesday, October 28th. Trunk or treat is from 5:00 pm to 6:30 pm. Please sign up at City Hall. It's not just a city and a Boys and Girls Club one. Anybody can participate. We want everyone to participate, and then we'll open the doors to Boys and Girls Club at 6.30 for the annual Halloween party. But yeah, should be a really, really good night getting Halloween started early, and parents won't have to walk their kids around for five and a half hours in costumes all evening.

Councilman Lopez: The town is growing, there's new faces out there, there's traffic, just be patient, be nice to each other. I see some stuff going on out there, and it's like, there's no need for it. Just be patient with each other, be nice. Tailgaters is having their 5th annual Boo Fest on the 31st, also. That will be on Halloween Day. Go out there, support them. They're trying to do good things. We appreciate everything else being brought back to one thing, which gives other organizations or people time to do something on their... on that actual day, so just come together, guys. Be good people out there.

Councilman Galvin: First of all, I'll address the traffic issues. I could tell you, as a law enforcement officer, I pull people over for flipping illegal U-turns on Main Street all the time, and 95% of the time, it's locals. So, to say that it's the out-of-town people and all these projects coming to town that are causing all these problems, that's not an accurate statement. We can bring traffic teams to town. Which we do all the time, and 99% of the time, we pull over the locals speeding, and then we give them tickets, and then we have nothing but locals complaining that, oh, why don't you give the out-of-town people the tickets? The issue is, is the locals also don't follow the rules. So, for these individuals to have public comment and say that, oh, it's, you know, these projects causing all this problem, that's... that's... that's false. That's not accurate. We could bring NHP to town, and they're going to write tickets to the locals as well, and then the locals are going to be upset over it. So, yes, do they break the law? Yes, they do. They're being addressed. It's not just we don't just see it and then we look the other way. So for people to say that law enforcement is not doing their job is false. We don't own Main Street. Just for example, we wanted to put a crosswalk in at the Boys and Girls Club. It took us years and years and years to get it through NDOT. Okay? Because we do not own Main Street. We do not get to put crosswalks where we want. We do not get to, repave roads, highways, state routes, just freely, that's DOT. They handle that. So, for these individuals to keep coming up and complaining that the city's not doing anything, it doesn't do anything. You're right, we're not doing anything, because we can't do anything. Go to DOT, go to the Department of Transportation, make your, you know, make your complaints known to them. They will fix it. Yes, everything takes years through DOT. That is the state's problem, that's not the city's problem. So, for these individuals that keep bringing it up meeting after meeting, meeting after meeting, thinking that we're dropping the ball, we're not doing our job. We are doing our job. We just can't do anything more. And when it comes to the traffic, issues for the mine sites, for the, these big projects, I think we just need to push for having, you know, bus transportation to these things. Every single morning, there's 300 vehicles that go out to the solar plant. We should be... we should be having them come to the table and addressing that issue, and getting them to be busing these people out there, and maybe that'll help with the, the traffic issues. So, that's it.

- G. **Mayor Comments:** Well, it's Columbus Day, so I hope you honor the day. It's a famous explorer. For some reason, he's been minimized in history lately, but I think he's important to keep alive and well. And if you can come out for the Candidates night, it'd probably be appreciated, you know, at least 3 of our seats are open, so you can make sure that you have people on here that represent you, and your well wishes, and your views, and I just, again, want to thank all of you that came here today. I realize it's not always easy sitting in those hard seats. They aren't the most comfortable things, so it is a sacrifice you make, and I appreciate those of you that do make comments, we do need to hear them. So, it is greatly appreciated by all of us here.

14. Adjournment.

With there being no further business. The meeting was adjourned at 11:33 am.

Stacy Stevenson
City of Yerington

Date

4c

NEW BUSINESS LICENSE APPLICATIONS SUBMITTED TO THE CITY COUNCIL ON October 26, 2026

	APPLICANT(S)	BUSINESS NAME	LOCATION	NATURE OF BUSINESS	COMMENTS
A	Edward Jones, Cynthia Jones	Paw Spaw Grooming	429 N Center Yerington NV, 89447	Pet Grooming and Training	New
B	David Mansfield	Curtis Bro's Construction	2300 Balsam St, Reno NV, 89509	Construction	New
C	Octavid Ayala-Gordillo	On Point Resteration, LLC	17915 Sweet Gum Ct, Reno NV, 89508	24 Hr response system for water damage repairs	New
D	Dustin Urton	Urton LTD	P.O. Box 110, Smith NV, 89430	Construction	New
E	Anthony Jacob Monahan	King Customs, LLC	12 US Hwy 95A, Yerington NV, 89447	Vechile Repair dhop/ Mobile repairs	New
F					
G					

TYPE - NEEDS ACTION

P - Permanent M - Mobile C - Contractor H - Health Department F - Fire Department B - Building Department S - Special Use Permit

5

6

7

CITY OF YERINGTON

National First Responders Day Proclamation

October 28, 2026

WHEREAS, first responders—including firefighters, police officers, emergency medical technicians, 911 operators, paramedics, public works professionals, and other emergency personnel—stand on the front lines of our communities, selflessly serving and protecting the citizens of Yerington, Nevada in times of crisis; and,

WHEREAS, first responders respond swiftly and courageously to emergencies, often putting their own lives at risk to ensure the safety and well-being of others, whether in natural disasters, accidents, medical emergencies, or public health and safety threats; and,

WHEREAS, it is in the public interest for the citizens, civic leaders, and children in Yerington, Nevada to gain knowledge of and maintain an ongoing interest and understanding of the importance of public works and other first responder efforts in their respective communities; and,

WHEREAS, as of 2019, the US Senate has included language recognizing public works alongside fellow/other first responders,

RESOLVED, I, John J. Garry, Mayor of Yerington, Nevada, do hereby designate October 28, 2026, as National First Responders Day. I urge all citizens to join in paying tribute to first responders in law enforcement, firefighters, paramedics, emergency medical technicians, 911 operators, public works professionals and other emergency personnel, to recognize the substantial contributions they make to protecting our national health, safety, and advancing the quality of life for all.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Yerington, Nevada,

DONE at the regular meeting of the Yerington City Council, this 26th day of October 2026.

John J. Garry,
Mayor, City of Yerington



8

CITY OF YERINGTON

Extra Mile Day Proclamation

November 1, 2026

WHEREAS, Yerington, Nevada is a community which acknowledges that a special vibrancy exists when its citizens collectively go the extra mile in personal effort, volunteerism, and service; and

WHEREAS, Yerington, Nevada encourages its citizens to contribute fully to the community through commitment, effort, and conviction in service to family, friends, neighbors, and civic life; and

WHEREAS, Yerington, Nevada chooses to recognize and celebrate individuals and organizations within the community who go the extra mile to make a positive difference in the lives of others; and

WHEREAS, Yerington, Nevada acknowledges the mission of Extra Mile America to inspire communities across the nation to recognize those who go the extra mile in volunteerism and service;

NOW, THEREFORE, I, John J. Garry, Mayor of the City of Yerington, Nevada, do hereby proclaim November 1, 2026, as Extra Mile Day in the City of Yerington, Nevada. I encourage all residents to take time on this day to go the extra mile in their own lives and to recognize those who inspire others through their commitment to making their community, nation, and world a better place.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Yerington, Nevada,

DONE at the regular meeting of the Yerington City Council, this 26th day of October 2026.

John J. Garry,
Mayor, City of Yerington



9

CITY OF YERINGTON, NEVADA

ASSIGNMENT AND ASSUMPTION OF LEASE AND LANDLORD CONSENT

Effective Date: Upon execution by all required parties, following any necessary approval by the Yerington City Council.

This Assignment and Assumption of Lease and Landlord Consent ("Agreement") is entered into by and among:

LESSOR: City of Yerington, Nevada, a Nevada municipal corporation ("City" or "Lessor");

ASSIGNOR: Highlands Wireless, Inc., a Nevada corporation ("Assignor"); and

ASSIGNEE: Wi-Fiber of Nevada, DBA Rango Broadband
3072 Research Way STE 50 & 51
Carson City, NV 89706

RECITALS

WHEREAS, the City of Yerington and Highlands Wireless, Inc. entered into a Lease Agreement dated December 12, 2016 ("Original Lease"), concerning certain premises located in Yerington, Lyon County, Nevada, at approximately Latitude 38.969167° North and Longitude 119.131667° West, as more particularly described in the Original Lease and its accompanying exhibits, for the installation, operation, and maintenance of wireless communications facilities and associated equipment; and

WHEREAS, the Original Lease identifies the leased premises and establishes the rights, obligations, terms, and conditions governing the use and occupancy of the premises; and

WHEREAS, on August 13, 2020, EV Holdings LLC entered into a Stock Purchase Agreement with Preferred Networks, Inc., Highlands Wireless, Inc., and their respective shareholders, providing for the acquisition of the outstanding shares of the companies, subject to the terms and conditions contained therein; and

WHEREAS, Section 2.5 of the Stock Purchase Agreement addresses the assignment of contracts and rights, including the procurement of necessary third-party consents; and

WHEREAS, Section 11 of the Original Lease restricts the assignment or transfer of the leasehold interest without the prior written consent of the City of Yerington; and

WHEREAS, the parties desire to formally document the assignment of the Original Lease, the assumption of its obligations by Assignee, and the City's consent thereto, without otherwise modifying the substantive terms and conditions of the Original Lease;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

1. ASSIGNMENT OF LEASE

Effective upon execution of this Agreement by all parties, Assignor hereby assigns, transfers, and conveys to Assignee all of Assignor's right, title, and interest in and to the Original Lease, including the rights to occupy and use the leased premises for the purposes expressly authorized under the Original Lease.

The assignment shall include the rights and obligations associated with the existing communications facilities, subject to the terms, conditions, limitations, and restrictions of the Original Lease.

2. ASSUMPTION OF OBLIGATIONS

Assignee hereby accepts the assignment and expressly assumes and agrees to perform, observe, and comply with all terms, conditions, covenants, responsibilities, and obligations imposed upon the Lessee under the Original Lease from and after the Effective Date.

These obligations include, without limitation:

- Timely payment of all rent, fees, charges, and other amounts required by the Original Lease.
- Maintenance, repair, and operation of the leased premises and associated communications facilities.
- Compliance with applicable federal, state, and local laws, ordinances, regulations, and permitting requirements.
- Maintenance of all insurance coverage required under the Original Lease.
- Compliance with all applicable airport operational requirements and restrictions.
- Performance of all restoration, removal, and surrender obligations upon expiration or termination of the Original Lease.

3. CONSENT OF LESSOR

Subject to the terms of this Agreement, the City of Yerington hereby consents to the assignment of the Original Lease from Assignor to Assignee.

Such consent is limited exclusively to the assignment expressly described herein.

The City's consent shall not constitute approval of any subsequent assignment, transfer, sublease, or change in the identity of the lessee requiring consent under the Original Lease.

Any future assignment or transfer shall remain subject to the applicable provisions of the Original Lease.

4. CONTINUATION OF ORIGINAL LEASE

Except as expressly provided herein, the Original Lease dated December 12, 2016, shall remain unchanged and in full force and effect.

All provisions relating to rent, rental adjustments, term, renewal options, insurance, maintenance, indemnification, access, permitted uses, termination, and all other contractual obligations shall continue to apply.

This Agreement shall not:

- a. Extend or renew the Original Lease;
- b. Modify or reduce any rent or financial obligation;
- c. Expand the permitted use of the premises;
- d. Increase the size or boundaries of the leased premises;
- e. Authorize additional communications equipment, towers, structures, or improvements beyond those permitted by the Original Lease; or
- f. Waive any existing rights or remedies of the City.

In the event of a conflict between this Agreement and the Original Lease, the Original Lease shall control except with respect to the expressly authorized assignment and assumption contained herein.

5. EXISTING OBLIGATIONS AND LIABILITIES

Assignor shall remain responsible for obligations, liabilities, breaches, or defaults arising before the Effective Date of this Agreement.

Assignee shall be responsible for all obligations arising on or after the Effective Date.

Nothing in this Agreement shall constitute a waiver or forgiveness of unpaid rent, outstanding fees, existing defaults, or other liabilities owed to the City.

Unless separately agreed to in writing by the City, Assignor shall not be released from any continuing liability imposed by the Original Lease.

6. INSURANCE AND REGULATORY COMPLIANCE

Prior to the Effective Date, Assignee shall provide the City with satisfactory evidence of insurance meeting the requirements of the Original Lease.

Assignee shall also be responsible for obtaining and maintaining all applicable governmental licenses, permits, authorizations, and approvals required for the lawful operation of its communications facilities.

Nothing in this Agreement shall be construed as granting any license, permit, regulatory approval, or other authorization beyond the City's contractual consent to the assignment.

7. CONDITION AND USE OF PREMISES

Assignee acknowledges that it accepts the leased premises subject to the terms of the Original Lease and their existing condition, except as otherwise agreed in writing.

Assignee shall not materially alter, expand, relocate, or change the communications facilities or their use without obtaining any approval required by the Original Lease and applicable law.

The City retains all inspection, access, enforcement, and other rights granted under the Original Lease.

8. NO WAIVER OF CITY RIGHTS

The City's execution of this Agreement shall not constitute a waiver of any existing or future contractual rights, claims, remedies, or enforcement authority.

The City expressly reserves all rights under the Original Lease and applicable law, including rights relating to default, termination, indemnification, and recovery of amounts due.

9. REPRESENTATIONS AND AUTHORITY

Assignor and Assignee each represent that:

- a. They are duly organized and authorized to enter into this Agreement;
- b. The individual executing this Agreement on their behalf has the necessary authority to bind the respective entity;
- c. The execution and performance of this Agreement do not violate any other binding agreement or applicable law; and
- d. They will provide such additional documentation as the City may reasonably request to establish their legal identity, authority, and entitlement to enter into the assignment.

10. NOTICES

All notices required under the Original Lease shall continue to be provided in accordance with its notice provisions.

Assignee shall provide the City with its current legal name, mailing address, authorized representative, telephone number, and email address for official correspondence.

Assignee Notice Information:

Legal Entity: _____

Mailing Address: _____

Authorized Representative: _____

Telephone: _____

Email: _____

11. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada.

Any legal proceeding arising from this Agreement shall be brought in a court of competent jurisdiction in Lyon County, Nevada, subject to applicable law.

12. ENTIRE AGREEMENT

This Agreement, together with the Original Lease and any previously authorized written amendments thereto, constitutes the agreement of the parties concerning the assignment addressed herein.

No modification of this Agreement shall be effective unless made in writing and executed by all affected parties.

13. EFFECTIVE DATE AND EXECUTION

This Agreement shall become effective upon its execution by all required parties, following any necessary approval by the Yerington City Council.

The parties acknowledge that the City is granting consent only to the specific assignment described herein and is not approving any additional transfer, amendment, or expansion of the Original Lease.

SIGNATURES

LESSOR

CITY OF YERINGTON, NEVADA

By: _____

Name: _____

Title: Mayor / Authorized Representative

Date: _____

Attest:

City Clerk

ASSIGNOR

HIGHLANDS WIRELESS, INC.

By: _____

Printed Name: _____

Title: _____

Date: _____

ASSIGNEE

[CONFIRMED LEGAL NAME OF ASSIGNEE]

By: _____

Printed Name: _____

Title: _____

Date: _____

EXHIBIT A — ORIGINAL LEASE

**EXHIBIT B — PURCHASE AGREEMENT BETWEEN PREFERRED
NETWORKS/HIGHLANDS WIRELESS AND EV HOLDINGS LLC**

**EXHIBIT C — CONVERSION OF EV HOLDINGS LLC TO WI-FIBER DBA RANGO
WIRELESS**

COMMUNICATION FACILITY LEASE AGREEMENT

This Communication Facility Lease Agreement ("Lease") is dated December 12, 2016, by and between Highlands Wireless Inc. ("Lessee") located at 4590 Tybo Rd, VC Highlands, NV 89521 and the City of Yerington (Lessor") located at 102 South Main Street, Yerington, NV 89447, collectively, the "Parties." The Parties hereto agree as follows:

1. Premises.

Subject to the following terms and conditions, Lessor leases to Lessee, and Lessee leases from Lessor, that portion of the Property depicted in Exhibit "A" (the "Premises"). Exhibit A reflects the approximate area intended to be the subject of this Lease. Upon completion of the improvements provided for herein, Lessee shall cause a Record of Survey ("ROS") to be prepared depicting the as-built location of the improvements, which ROS, subject to Lessor's approval, shall then define the Premises. Lessee shall cause the recording of the ROS as approved by Lessor; Exhibit A shall be replaced with the ROS at that time, and will then be of no further force or effect.

Lessor shall grant access easements as approximately set forth on Exhibit B, and utility easements as approximately set forth on Exhibit C. Upon completion of all improvements, the ROS shall reflect as-utilized locations of access and utility corridors, and the ROS will replace Exhibits B and C for the purpose of defining such easements.

2. Use.

Lessee shall use and occupy the Premises only for the Agreed Use as stated herein, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, disturbs Lessor's operation or causes damage to the Premises.

Lessee is responsible for determining and confirming that the Premises is suitable and appropriate for Lessee's Agreed Use; and that the Agreed use and actual uses conform with all applicable laws and regulations.

The Premises may be used by Lessee to construct, maintain and operate temporary facilities, including a tower to provide wireless communications services, including without limitation, the transmission and the reception of radio communication signals on various frequencies ("Agreed Use").

Lessee shall comply with all laws concerning the property and/or the Premises and the use thereof.

December 12, 2016



Solar (PV) equipment shall be allowed only with the Lessor's advance, written, design approval.

Lessor shall be permitted to temporarily utilize those approximate easement areas as shown on Exhibits "B" and "C" for access and utilities, and will be permitted to utilize the agreed upon access and easements to be reflected on the ROS for the life of this Lease.

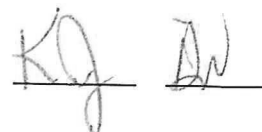
3. Term.

The initial term of this Lease shall be twenty (20) years ("Initial Term") commencing upon ~~Feb 1, 2017~~ ²⁰¹⁶ ("Commencement Date") and expiring at midnight on the twentieth anniversary of the Commencement Date. Lessee shall have the right to extend the Initial Term of this Lease for twenty additional years ("Renewal Term"). Collectively, the Initial Term and Renewal Terms shall be the "Term." The terms and conditions for the Renewal Term shall be the same terms and conditions of the Initial Term, except that the Rent amounts will be as set forth elsewhere herein. The Initial Term shall automatically be extended for the Renewal Term unless Lessee notifies Lessor in writing of Lessee's intention not to extend this Lease. Such notice must be given at least thirty (30) days prior to the expiration of the Initial Term.

4. Rent.

A. Base Rent. Lessee shall pay Lessor Base Rent in the amount of one thousand (\$1,000.00) per month, due and payable on the 1st day of each and every month beginning the earlier of: i) the month of completion of construction; ii) the month any improvements go into service; or iii) one year from the Commencement Date. This initial Base Rent shall be effective for a term of 60 months. Beginning with the 61st month, Base Rent shall increase by an amount equal to the annual sum of the CPI-U, US City Average, ALL ITEMS: NSA Consumer Price Index for the previous 60 months. This new Base Rent shall be effective for 60 months. Beginning the 121st month, Base Rent shall increase by an amount equal to the annual sum of the CPI-U, US City Average, ALL ITEMS: NSA Consumer Price Index for the previous 60 months. This new Base Rent shall be effective for 60 months. Beginning the 181st month, Base Rent shall increase by an amount equal to the annual sum of the CPI-U, US City Average, ALL ITEMS: NSA Consumer Price Index for the previous 60 months. This new Base Rent shall be effective for 60 months. In the event of renewal for the Renewal Term, the foregoing adjustments will be made beginning with the 241st month, and every 60 months thereafter. For all calculation purposes, any factors used in the equation will include the increased Base Rent of the term just ending.

In no event will the amount of Base Rent be reduced. If the Index sum is less than (0) zero, the Base Rent for the next term will remain the same as Base Rent for the term just ending.



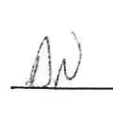
B. Royalty. The Parties contemplate that Lessee will sublease space on the Premises to other entities, including but not limited to cellular service providers, communication providers, and other entities that may have use for such physical facilities. Lessee may sublease, rent, or allow the use of the Premises of the facilities, or sub parts thereof, to such providers upon first obtaining Lessor's written consent, which consent will not be unreasonably withheld. Lessee agrees that it will pay Lessor, in addition to Base Rent (as adjusted) and as additional rent, a royalty in the amount of five percent (5%) of Lessee's gross receipts for any such use. Royalties will be due and payable at the same time as Base Rent. Royalty payments shall not begin until the thirteenth month following the completion of installation of the additional facilities subject to Royalty payments. Lessee shall, with each Royalty payment, include a written accounting explaining and justifying the amount of the payment.

C. Designated Improvements. Lessee shall cause the construction and installation of electrical improvements by NV Energy (or its successors, designees or assigns) as located, designed and directed by Lessor (the "Designated Improvements"). The Designated Improvements shall be completed prior to or concurrently with the initial operational date of the Lessee's anticipated tower or Agreed Use. Lessee shall construct the Designated Improvements of sufficient size and capacity to power Lessor's future development of Lessor's adjacent property; Lessor contemplates the need for a connection of three phase power, of two hundred amps. All Designated Improvements shall be dedicated to NV Energy (or its successors or assigns) as may be required by NV Energy; or to Lessor upon the termination of this Lease. Lessee shall be solely responsible for the repair, maintenance, replacement or modification of the Designated Improvements during the life of this Lease, and shall indemnify, defend and hold Lessor harmless from and against any liens, claims, suits, actions or causes of actions in any way related to the Designated Improvements.

D. Tower Space. Lessee shall reserve for Lessor twenty percent (20%) of available, useable space within and or upon Lessee's Facility for Lessor's use. Lessee shall charge Lessor, and Lessor shall pay Lessee, one-half of the average rate charged by other tower users for their placement of similar equipment. Lessee shall charge Lessor no common area maintenance, utilities or other fees. Lessor shall pay for space only as used, not as reserved.

5. Late Fees, Interest, Etc.

If any Rent payment required to be made by Lessee under this Lease is not received by Lessor on or before the date the same is due, Lessee shall pay to Lessor a late charge equal to five percent (5%) of the delinquent amount. The Parties agree that this late charge represents a reasonable estimate of the expenses that Lessor will incur because of any late payment by Lessee. The late charge shall be deemed Additional Rent. Such late charge shall be in addition to, and not in lieu of, any interest that may accrue on such overdue amount addressed below.

Interest on Past-Due Obligations. Except as expressly otherwise provided in this Lease, any Rent due Lessor, other than late charges, which is not received by Lessor within ten (10) days after the date on which it was due, shall bear interest from the day after it was due at eighteen percent (18%) per annum ("Interest Rate"). Interest on all past due amounts will be compounded monthly.

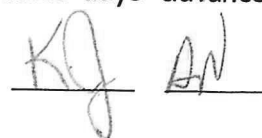
6. Improvements; Access.

Lessee shall have the right to install, construct, maintain, repair and operate on the Premises a radio communications tower, (including but not limited to, excavating, digging, placement of concrete foundations), up to 120' above ground level (if permitted by law or applicable regulation), and equipment shelters for radio gear, generators, and necessary accouterments ("Lessee's Facility"). In connection therewith, Lessee has the right to do all work necessary to prepare, add, maintain and alter the Premises for use as a communications facility. Lessee understands that there is no commercial power company providing services to the Premises. Lessee, at no cost to Lessor, will provide commercial power to the Premises and if desired by the use of solar panels, backup generators and/or any other energy sources necessary to maintain a functioning communications facility. Nothing contained in this article shall excuse Lessee's obligation to install the Designated Improvements. All of Lessee's construction and installation work shall be performed in a good and workmanlike manner and in conformance with City and all other applicable codes, with permits as needed and with Lessor's prior written consent. Consent shall be conditioned upon Lessee's: (i) acquiring all applicable governmental permits and licenses, (ii) furnishing Lessor with copies of permits, licenses, plans and specifications prior to the commencement of the work, and (iii) compliance with all conditions of said permits and licenses and any other applicable regulations in a prompt, expeditious and workmanlike manner.

Title to Lessee's Facility and any equipment placed on the Premises by Lessee shall be held by Lessee. Upon termination of this lease, Lessee shall remove Lessee's Facility, at Lessee's expense unless otherwise agreed in writing. Lessee's Facilities shall not be considered fixtures.

Lessor shall provide Lessee, Lessee's employees, agents, contractors, subcontractors, licensees and assigns with access to the Premises twenty-four (24) hours a day, seven (7) days a week, at no charge to Lessee. Lessor represents and warrants that it has full rights of ingress to and egress from the Premises, and hereby grants such rights to Lessee to the extent required to construct, maintain, install and operate Lessee's Facility on the Premises. Lessee's exercise of such rights shall not cause undue inconvenience to Lessor. Lessee's right of access shall not be exclusive.

Lessee shall provide Lessor unfettered access to the Premises (depicted on Exhibit A, and subsequently as set forth in the ROS), and all of it, upon two business days' advance



notice to Lessee. Lessor may access the Premises without notice in the event of an emergency as determined by Lessor. Lessor shall have full and unrestricted access to the property identified on Exhibits A, B and and C, and thereafter as indicated on the ROS upon its recording.

Lessee shall maintain all access roadways from the nearest public roadway to the Premises in a manner sufficient to allow reasonable access. Lessee shall be responsible for maintaining and repairing such roadways during the term of this agreement.

7. Non-Compete.

Lessor agrees not to enter into any other agreements with any third parties regarding the construction of communications towers or facilities within a one-mile radius of the Premises which are in direct competition with Lessee's Agreed Use, unless and until Lessee's Facility becomes seventy-five percent (75%) or more utilized. Once this threshold is reached Lessor may enter into other leases or arrangements as it, in its sole discretion, deems appropriate; and any subsequent reduction in usage of Lessee's Facility below seventy-five percent shall have no force or effect on Lessor's subsequent contracts.

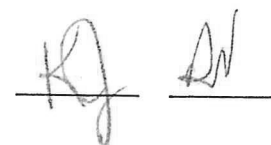
8. Surrender.

Lessee shall surrender the Premises by the Expiration Date, or any earlier termination date in good condition and free of all improvements, debris, equipment or any other intrusions. Any personal property of Lessee not removed on or before the Expiration Date, or any earlier termination date, shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire at Lessee's expense. The failure by Lessee to timely vacate the Premises pursuant to this paragraph without the express written consent of Lessor shall constitute a holdover.

If the Premises are not surrendered as provided, Lessee shall defend, indemnify and hold Lessor harmless from and against loss and liability (including attorneys' fees) resulting from the delay by Lessee in so surrendering the Premises, including, without limitation, any claims made by any succeeding occupant founded on such delay. If Lessee shall hold over after the end of the Term, such holding over shall be construed as a tenancy at sufferance and Lessee shall pay Lessor for the use and occupancy of the Premises during such holdover period at the then applicable rent plus an additional ten percent (10%) thereof.

9. Default and Termination.

This Lease, in addition to any other remedies which may be pursued in law or in equity, may be terminated by either party upon a default of any covenant, condition, or term hereof by the other party, which default is not cured within three (3) days of receipt of written notice of such default.



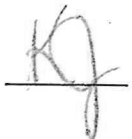
The occurrence of any of the following shall constitute a default by Lessee: (a) failure to pay rent; (b) the occurrence of any of the following events: (i) the making by Lessee of any general arrangement or assignment for the benefit of creditors; (ii) Lessee becoming a "debtor" as defined in 11 U.S.C. Section 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within ninety (90) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within ninety (90) days or (iv) Lessee's filing for bankruptcy protection; or (c) failure to perform any other covenant, condition or provision of this Lease that are to be observed, complied with or performed by Lessee, where such failure to perform continues for a period of thirty (30) days after written notice to Lessee; provided, however, if the nature of the failure is such that it cannot be cured within thirty (30) days, then Lessee shall not be in default so long as Lessee commences to cure within such thirty (30) day period and thereafter diligently pursues same to completion. Written notice to Lessee for such default must be delivered certified mail.

In the event of a default by Lessee, Lessor shall be entitled to all remedies available at law and equity. The rights and remedies of Lessor herein stated shall be in addition to any and all other rights and remedies which Lessor has or may hereafter have at law or in equity. Upon the occurrence of an Event of Default, Lessor may pursue any one or more of the following remedies without further notice or demand:

- 1) Terminate this Lease and recover damages therefore.
- 2) Perform any of Lessee's obligations under this Lease, and Lessee shall reimburse Lessor on demand for all costs incurred by Lessor in doing so. If Lessor, at any time, by reason of Lessee's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Lessor shall be immediately reimbursed from Lessee to Lessor.

10. Insurance.

Lessee shall maintain in force a Commercial General Liability policy protecting Lessee and Lessor as a named additional insured against claims for bodily injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount of \$1,000,000 per occurrence with an annual aggregate of \$3,000,000. Lessee shall add Lessor as a named additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured Managers or Lessors of Premises" Endorsement. The policy shall not contain any intra insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any

obligation hereunder. Lessee shall provide an endorsement on its liability policies which provide that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

Lessee's Facility and personal property shall be insured by Lessee and not by Lessor.

Each policy, or a certificate of the policy, shall be provided to Lessor on or before the Commencement Date, and on renewal of the policy not less than thirty (30) days before expiration of the term of the policy.

Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Lessee's Facility and any construction, alteration or fixtures placed on Premises.

Lessee shall obtain and maintain Worker's Compensation Insurance insuring all of its employees working at the Premises. Such Worker's Compensation Insurance shall have at least the statutory coverages and limits required by applicable law and employer's liability limits of \$1,000,000, limits of \$1,000,000 per accident, \$1,000,000 per employee-disease, and \$1,000,000 Aggregate disease. Worker's Compensation shall include a waiver of subrogation.

All costs of insurance set forth in this Lease shall be Lessee's sole responsibility.

11. Assignment/First Right of Refusal.

Lessee shall not assign or encumber this Lease or any interest therein without Lessor's prior, written, consent. In the event Lessee elects to sell the Facilities, it shall first offer to Lessor the opportunity to purchase Lessee's facilities and improvements at and on the same terms offered to or by any other prospective purchaser. This right of first refusal shall remain open for a period of 30 days after presentation by Lessee to Lessor. If Lessor does not indicate its acceptance to exercise its right to purchase within 30 days of its receipt of Notice, Lessee may proceed with the third party transaction, but only on the identical terms set forth in the notice of right of first refusal. Lessee may sublease space upon or within the Designated Improvements to other communication carriers, but only so long as such uses are consistent with the Agreed Use permitted of Lessee. Sub-rents shall be the property of Lessee.

12. Title and Quiet Enjoyment.

Lessor represents and warrants that it has full right, power, and authority to execute this Lease. Lessor further warrants that Lessee shall have quiet enjoyment of the Premises during the Term of this Lease or any Renewal Term.

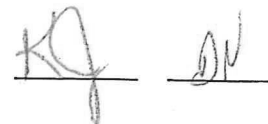
13. Repairs.

Throughout the Term, Lessee shall maintain the Premises and keep same in good order and condition, and make all necessary repairs thereto at Lessee's sole cost and expense.

14. Environmental.

The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any government authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but are not limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by products or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all applicable laws, regulations or requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, ordinary office supplies and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage that expose Lessor to liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Property or the Premises and/or the environment against damage, contamination, injury and/or liability, including but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or posting a security deposit or bond as Lessor may demand.

Lessee hereby covenants and agrees that neither it nor any agent, servant, employee, or Lessee shall use, generate, manufacture, handle, store, treat, discharge, release, bury or dispose of on, under or about the Premises, or transport to or from the Premises, any Hazardous Substance. Without limiting the generality of the foregoing provisions of this subsection, Lessee agrees at all times to comply fully and in a timely manner with, and to cause all of its employees, agents, contractors, subcontractors, sublessees and any

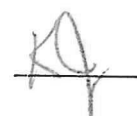
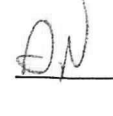


other persons occupying or present on the Premises to so comply with all federal, state and local laws, statutes, ordinances, guidelines, rules and regulations applicable to materials stored on the Premises by the Lessee, or to the use, generation, manufacture, handling, storage, treatment, discharge, release, burial or disposal by Lessee of any Hazardous Substance on, under or about the Premises, or the transportation by Lessee to or from the Premises of any Hazardous Substance. Nothing contained herein shall make Lessee responsible for any Hazardous Substance discharged or released on, under or about the Premises, prior to the Commencement of the Lease.

Lessee shall indemnify, defend with counsel reasonably acceptable to Lessor, protect and hold harmless Lessor, its elected officials, officers, employees, agents, and any successor or successors to Lessor's interest in the Premises from and against all claims, actual damages (including, but not limited to, special and consequential damages), punitive damages, injuries, costs, response costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties and expenses (including, but not limited to: (1) attorneys', engineers', consultants', and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity and (2) any diminution in the value of the Premises) of any kind whatsoever paid, incurred or suffered by, or asserted against, the Premises or any indemnified party and directly arising from and attributable to any breach by Lessee of any of its agreements, warranties or representations set forth herein.

Lessee shall promptly give Lessor: (i) a copy of any notice, correspondence or information it receives from any federal, state or other governmental authority regarding Hazardous Substances on, under or about the Premises or Hazardous Substances which affect or may affect the Premises, or regarding any actions instituted, completed or threatened by any such governmental authority concerning Hazardous Substances which affect or may affect the Premises; (ii) written notice of any knowledge or information Lessee obtains regarding Hazardous Substances on, under or about the Premises or expenses or losses incurred or expected to be incurred by Lessee, third party or any governmental agency to study, assess, contain or remove any Hazardous Substances on, under, about or near the Premises for which expense or loss Lessee may be liable or for which a lien may be imposed on the Premises; (iii) written notice of any knowledge or information Lessee obtains regarding the release or discovery of Hazardous Substances on, under or about the Premises, and (iv) written notice of all claims made or threatened by any third party against Lessee or the Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Substance.

Without Lessor's prior written consent, which shall not be unreasonably withheld or delayed, Lessee shall not take any remedial action in response to the presence of any Hazardous Substance on, under or about the Premises caused by Lessee, nor enter into any settlement agreement, consent decree, or other compromise in respect to any claims referred to in this Lease Agreement, which are the responsibility of Lessee under this Lease Agreement which remedial action, settlement, consent or compromise might, in

Lessor's reasonable judgment, impair the value of the Premises; provided, however, that Lessor's prior consent shall not be necessary in the event that the presence of any Hazardous Substance on, under or about the Premises either poses an immediate threat to the health, safety or welfare of any individual or is of such a nature that an immediate remedial response is necessary and it is not possible to obtain Lessor's consent before taking such action, provided that in such event Lessee shall notify Lessor as soon as practicable of any action so taken. Lessor agrees not to withhold its consent, where such consent is required hereunder, if either (i) a particular remedial action is ordered by a court of competent jurisdiction, or (ii) Lessee has established to the reasonable satisfaction of Lessor that there is no reasonable alternative to such remedial action which would result in less impairment of the value of the Premises.

15. Notices.

All notices shall be: (i) in writing; (ii) to the address given below (or to the address specified in the most recent written notice of any change in address); (iii) with delivery by hand, U.S. mail return receipt requested or reliable overnight courier.

To Lessor: City of Yerington
Attn: City Manager
102 S. Main St.
Yerington, NV 89447
Telephone: 775-463-3511

To Lessee: Highlands Wireless Inc.
Attn: Karen James
PO Box 877
Virginia City, NV 89440
Telephone: (775) 847-4000

16. Miscellaneous

If any provision of the Lease is invalid or unenforceable with respect to any party, the remainder of this Lease or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

Terms and conditions of this Lease which by their sense and context survive the termination, cancellation or expiration of this Lease will so survive.

This Lease shall be governed under Nevada State law, and be binding on and inure to the benefit of the successors and permitted assignees of the respective parties. Any action with regard to this Lease shall be brought and maintained in the Third Judicial District Court, Lyon County, Nevada.

KQ DN

This Lease constitutes the entire Lease between the Parties, and supersedes all understandings, offers, negotiations and other leases concerning the subject matter contained herein. There are no representations or understandings of any kind not set forth herein. Any amendments, modifications or waivers of any of the terms and conditions of this Lease must be in writing and executed by both Parties.

No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Lessor or Lessee, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The payment or acceptance of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Lessee or Lessor, as the case may be, shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by either party to or of any act requiring consent or approval of the other party shall not be deemed to waive or render unnecessary that party's consent or approval to or of any subsequent similar act.

17. INDEMNIFICATION

Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, defend, save and hold LESSOR, free, clear and harmless from and against any and all liabilities, losses, costs, expenses (including reasonable attorneys' fees), judgments, claims, administration of claims, liens and demands of any kind whatsoever caused by, resulting from or in any way connected with (i) LESSEE's acts, omissions or negligence, or the acts, omissions or negligence of LESSEE's agents, subcontractors or employees, in connection with this Lease and (ii) Lessee's use, occupation, control, management or repair of the Premises, (iii) LESSEE's breach of this Agreement or any of LESSEE's representations or warranties contained herein. Lessee shall defend any action and proceeding, which may be brought against Lessor, with respect to the foregoing or in which it is impleaded, with counsel reasonably approved by Lessor.

Lessor shall not be liable to Lessee for any damage to Lessee or Lessee's property nor property of persons parking on Property or Premises from any cause. Lessee waives all claims Lessee may have in the future against Lessor for damages to person or property arising for any reason except that were caused by Lessor's willful misconduct or gross negligence.

KJ DN

18. ATTORNEY FEES

In the event any breach of lease results in litigation or arbitration, the prevailing party shall be entitled to recover reasonable attorney fees from the other party.

IN WITNESS WHEREOF, the parties have entered into this Lease effective as of the date first above written.

LESSOR: City of Yerington

By:

Name: George Dini

Title: Mayor

Date:

LESSEE: Highlands Wireless Inc.

By:

Name: Karen James

Title: Chief Financial Officer

Date:

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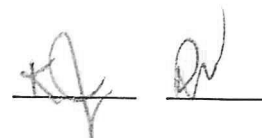


EXHIBIT A
DESCRIPTION OF PREMISES

The Premise is located within APN: 001-661-001 at the coordinates of N38 58 9; W119 07 54 and is approximately 27,700 square feet in size, and at the approximate location as indicated on the attached map.

Kg AN

COMMUNICATION FACILITY LEASE AGREEMENT

This Communication Facility Lease Agreement ("Lease") is dated _____ by and between Highlands Wireless Inc. ("Lessee") located at 4590 Tybo Rd, VC Highlands, NV 89521 and the City of Yerington (Lessor") located at 102 South Main Street, Yerington, NV 89447, collectively, the "Parties." The Parties hereto agree as follows:

1. Premises.

Subject to the following terms and conditions, Lessor leases to Lessee, and Lessee leases from Lessor, that portion of the Property depicted in Exhibit "A" (the "Premises").

2. Use.

Lessee shall use and occupy the Premises only for the Agreed Use as stated herein, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, disturbs Lessor's operation or causes damage to the Premises.

Lessee is responsible for determining and confirming that the Premises is suitable and appropriate for Lessee's Agreed Use; and that the intended use conforms with all applicable laws and regulations.

The Premises may be used by Lessee to construct, maintain and operate temporary facilities, including a tower to provide wireless communications services, including without limitation, the transmission and the reception of radio communication signals on various frequencies ("Agreed Use").

Lessee shall comply with all laws concerning the property and/or the Premises and the use thereof.

Solar (PV) equipment shall be allowed only with the Lessor's advance, written, design approval.

During the life of this Lease, Lessor shall be permitted to utilize those easements as shown on Exhibit "B" for access and utilities.

3. **Term.**

The initial term of this Lease shall be twenty (20) years ("Initial Term") commencing upon _____ ("Commencement Date") and expiring at midnight on the twentieth anniversary of the Commencement Date. Lessee shall have the right to extend the Initial Term of this Lease for twenty additional years ("Renewal Term"). Collectively, the Initial Term and Renewal Terms shall be the "Term." The terms and conditions for the Renewal Term shall be the same terms and conditions of the Initial Term, except that the Rent amounts will be as set forth elsewhere herein. The Initial Term shall automatically be extended for the Renewal Term unless Lessee notifies Lessor in writing of Lessee's intention not to extend this Lease. Such notice must be given at least thirty (30) days prior to the expiration of the Initial Term.

4. **Rent.**

A. **Base Rent.** Lessee shall pay Lessor Base Rent in the amount of one thousand (\$1,000.00) per month, due and payable on the 1st day of each and every month beginning on the Commencement Date. This initial Base Rent shall be effective for a term of 60 months. Beginning with the 61st month, Base Rent shall increase by an amount equal to the annual sum of the CPI-U, US City Average, ALL ITEMS: NSA Consumer Price Index for the previous 60 months. This new Base Rent shall be effective for 60 months. Beginning the 121st month, Base Rent shall increase by an amount equal to the annual sum of the CPI-U, US City Average, ALL ITEMS: NSA Consumer Price Index for the previous 60 months. This new Base Rent shall be effective for 60 months. Beginning the 181st month, Base Rent shall increase by an amount equal to the annual sum of the CPI-U, US City Average, ALL ITEMS: NSA Consumer Price Index for the previous 60 months. This new Base Rent shall be effective for 60 months. In the event of renewal for the Renewal Term, the foregoing adjustments will be made beginning with the 241st month, and every 60 months thereafter. For all calculation purposes, any factors used in the equation will include the increased Base Rent of the term just ending.

In no event will the amount of Base Rent be reduced. If the Index sum is less than (0) zero, the Base Rent for the next term will remain the same as Base Rent for the term just ending.

B. **Royalties.** The Parties contemplate that Lessee may sublease space on the premises to other entities, including but not limited to cellular service providers, communication providers, and other entities that may have use for such physical facilities. Lessee may sublease, rent, or allow the use of the facilities, or sub parts thereof, for such providers upon first obtaining Lessor's written consent therefore, which consent will not be unreasonably withheld. Lessee agrees that it will pay Lessor, in addition to Base Rent (as adjusted) and as additional rent, twenty percent (20%) of its gross receipts for any such use, which will be due and payable at the same time as

Base Rent. Lessee shall, with each Royalty payment, include a written accounting explaining and justifying the amount of the payment.

5. Late Fees, Interest, Etc.

If any Rent payment required to be made by Lessee under this Lease is not received by Lessor on or before the date the same is due, Lessee shall pay to Lessor a late charge equal to five percent (5%) of the delinquent amount. The Parties agree that this late charge represents a reasonable estimate of the expenses that Lessor will incur because of any late payment by Lessee. The late charge shall be deemed Additional Rent. Such late charge shall be in addition to, and not in lieu of, any interest that may accrue on such overdue amount addressed below.

Interest on Past-Due Obligations. Except as expressly otherwise provided in this Lease, any Rent due Lessor, other than late charges, which is not received by Lessor within ten (10) days after the date on which it was due, shall bear interest from the day after it was due at eighteen percent (18%) per annum ("Interest Rate"). Interest on all past due amounts will be compounded monthly.

6. Improvements; Access.

Lessee shall have the right to install, construct, maintain, repair and operate on the Premises a radio communications tower, (including but not limited to, excavating, digging, placement of concrete foundations), up to 120' above ground level (if permitted by law or applicable regulation), and equipment shelters for radio gear, generators, and necessary accouterments ("Lessee's Facility"). In connection therewith, Lessee has the right to do all work necessary to prepare, add, maintain and alter the Premises for use as a communications facility. Lessee understands that there is no commercial power company providing services to this site location. Lessee, at no cost to Lessor, will provide commercial power to the Premises and if desired by the use of solar panels, backup generators and/or any other energy sources necessary to maintain a functioning communications facility. All of Lessee's construction and installation work shall be performed in a good and workmanlike manner and in conformance with City and all other applicable codes, with permits as needed and with Lessor's prior written consent. Consent shall be conditioned upon Lessee's: (i) acquiring all applicable governmental permits and licenses, (ii) furnishing Lessor with copies of permits, licenses, plans and specifications prior to the commencement of the work, and (iii) compliance with all conditions of said permits and licenses and any other applicable regulations in a prompt, expeditious and workmanlike manner.

Title to Lessee's Facility and any equipment placed on the Premises by Lessee shall be held by Lessee. Upon termination of this lease, Lessee shall remove Lessee's Facility, at Lessee's expense unless otherwise agreed in writing. Lessee's Facilities shall not be considered fixtures.

Lessor shall provide Lessee, Lessee's employees, agents, contractors, subcontractors, licensees and assigns with access to the Premises twenty-four (24) hours a day, seven (7) days a week, at no charge to Lessee. Lessor represents and warrants that it has full rights of ingress to and egress from the Premises, and hereby grants such rights to Lessee to the extent required to construct, maintain, install and operate Lessee's Facility on the Premises. Lessee's exercise of such rights shall not cause undue inconvenience to Lessor. Lessee's right of access shall not be exclusive.

Lessee shall provide Lessor access to the Premises (depicted on Exhibit B), and all of it, upon two business days' advance notice to Lessee. Lessor may access the Premises without notice in the event of an emergency as determined by Lessor. Lessor shall have full and unrestricted access to the property identified on Exhibit A and C. Lessee shall maintain all access roadways from the nearest public roadway to the Premises in a manner sufficient to allow reasonable access. Lessee shall be responsible for maintaining and repairing such roadways during the term of this agreement.

7. Surrender.

Lessee shall surrender the Premises by the Expiration Date, or any earlier termination date in good condition and free of all improvements, debris, equipment or any other intrusions. Any personal property of Lessee not removed on or before the Expiration Date, or any earlier termination date, shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire at Lessee's expense. The failure by Lessee to timely vacate the Premises pursuant to this paragraph without the express written consent of Lessor shall constitute a holdover.

If the Premises are not surrendered as provided, Lessee shall defend, indemnify and hold Lessor harmless from and against loss and liability (including attorneys' fees) resulting from the delay by Lessee in so surrendering the Premises, including, without limitation, any claims made by any succeeding occupant founded on such delay. If Lessee shall hold over after the end of the Term, such holding over shall be construed as a tenancy at sufferance and Lessee shall pay Lessor for the use and occupancy of the Premises during such holdover period at the then applicable rent (modified Base Rent and Royalties) plus an additional ten percent (10%) thereof.

8. Default and Termination.

This Lease, in addition to any other remedies which may be pursued in law or in equity, may be terminated by either party upon a default of any covenant, condition, or term hereof by the other party, which default is not cured within three (3) days of receipt of written notice of such default.

The occurrence of any of the following shall constitute a default by Lessee: (a) failure to pay rent; (b) the occurrence of any of the following events: (i) the making by Lessee of any general arrangement or assignment for the benefit of creditors; (ii) Lessee becoming a "debtor" as defined in 11 U.S.C. Section 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within ninety (90) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within ninety (90) days or (iv) Lessee's filing for bankruptcy protection; or (c) failure to perform any other covenant, condition or provision of this Lease that are to be observed, complied with or performed by Lessee, where such failure to perform continues for a period of thirty (30) days after written notice to Lessee; provided, however, if the nature of the failure is such that it cannot be cured within thirty (30) days, then Lessee shall not be in default so long as Lessee commences to cure within such thirty (30) day period and thereafter diligently pursues same to completion. Written notice to Lessee for such default must be delivered certified mail.

In the event of a default by Lessee, Lessor shall be entitled to all remedies available at law and equity. The rights and remedies of Lessor herein stated shall be in addition to any and all other rights and remedies which Lessor has or may hereafter have at law or in equity. Upon the occurrence of an Event of Default, Lessor may pursue any one or more of the following remedies without further notice or demand:

- 1) Terminate this Lease and recover damages therefore.
- 2) Perform any of Lessee's obligations under this Lease, and Lessee shall reimburse Lessor on demand for all costs incurred by Lessor in doing so. If Lessor, at any time, by reason of Lessee's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Lessor shall be immediately reimbursed from Lessee to Lessor.

9. Insurance.

Lessee shall maintain in force a Commercial General Liability policy protecting Lessee and Lessor as a named additional insured against claims for bodily injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount of \$1,000,000 per occurrence with an annual aggregate of \$3,000,000. Lessee shall add Lessor as a named additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured Managers or Lessors of Premises" Endorsement. The policy shall not contain any intra insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the

liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policies which provide that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

Lessee's Facility and personal property shall be insured by Lessee and not by Lessor.

Each policy, or a certificate of the policy, shall be provided to Lessor on or before the Commencement Date, and on renewal of the policy not less than thirty (30) days before expiration of the term of the policy.

Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Lessee's Facility and any construction, alteration or fixtures placed on Premises.

Lessee shall obtain and maintain Worker's Compensation Insurance insuring all of its employees working at the Premises. Such Worker's Compensation Insurance shall have at least the statutory coverages and limits required by applicable law and employer's liability limits of \$1,000,000, limits of \$1,000,000 per accident, \$1,000,000 per employee-disease, and \$1,000,000 Aggregate disease. Worker's Compensation shall include a waiver of subrogation.

All costs of insurance set forth in this Lease shall be Lessee's sole responsibility.

10. Assignment/First Right of Refusal.

Lessee shall not assign or encumber this Lease or any interest therein without Lessor's prior, written, consent. In the event Lessee elects to sell the Facilities, it shall first offer to Lessor the opportunity to purchase Lessee's facilities and improvements at and on the same terms offered to or by any other prospective purchaser. This right of first refusal shall remain open for a period of 30 days after presentation by Lessee to Lessor. If Lessor does not indicate its acceptance to exercise its right to purchase within 30 days of its receipt of Notice, Lessee may proceed with the third party transaction, but only on the identical terms set forth in the notice of right of first refusal.

11. Title and Quiet Enjoyment.

Lessor represents and warrants that it has full right, power, and authority to execute this Lease. Lessor further warrants that Lessee shall have quiet enjoyment of the Premises during the Term of this Lease or any Renewal Term.

12. Repairs.

Throughout the Term, Lessee shall maintain the Premises and keep same in good order and condition, and make all necessary repairs thereto at Lessee's sole cost and expense.

13. Environmental.

The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any government authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but are not limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by products or fractions thereof. Lease shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all applicable laws, regulations or requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, ordinary office supplies and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage that expose Lessor to liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Property or the Premises and/or the environment against damage, contamination, injury and/or liability, including but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or posting a security deposit or bond as Lessor may demand.

Lessee hereby covenants and agrees that neither it nor any agent, servant, employee, or Lessee shall use, generate, manufacture, handle, store, treat, discharge, release, bury or dispose of on, under or about the Premises, or transport to or from the Premises, any Hazardous Substance. Without limiting the generality of the foregoing

provisions of this subsection, Lessee agrees at all times to comply fully and in a timely manner with, and to cause all of its employees, agents, contractors, subcontractors, sublessees and any other persons occupying or present on the Premises to so comply with all federal, state and local laws, statutes, ordinances, guidelines, rules and regulations applicable to materials stored on the Premises by the Lessee, or to the use, generation, manufacture, handling, storage, treatment, discharge, release, burial or disposal by Lessee of any Hazardous Substance on, under or about the Premises, or the transportation by Lessee to or from the Premises of any Hazardous Substance. Nothing contained herein shall make Lessee responsible for any Hazardous Substance discharged or released on, under or about the Premises, prior to the Commencement of the Lease.

Lessee shall indemnify, defend with counsel reasonably acceptable to Lessor, protect and hold harmless Lessor, its elected officials, officers, employees, agents, and any successor or successors to Lessor's interest in the Premises from and against all claims, actual damages (including, but not limited to, special and consequential damages), punitive damages, injuries, costs, response costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties and expenses (including, but not limited to: (1) attorneys', engineers', consultants', and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity and (2) any diminution in the value of the Premises) of any kind whatsoever paid, incurred or suffered by, or asserted against, the Premises or any indemnified party and directly arising from and attributable to any breach by Lessee of any of its agreements, warranties or representations set forth herein.

Lessee shall promptly give Lessor: (i) a copy of any notice, correspondence or information it receives from any federal, state or other governmental authority regarding Hazardous Substances on, under or about the Premises or Hazardous Substances which affect or may affect the Premises, or regarding any actions instituted, completed or threatened by any such governmental authority concerning Hazardous Substances which affect or may affect the Premises; (ii) written notice of any knowledge or information Lessee obtains regarding Hazardous Substances on, under or about the Premises or expenses or losses incurred or expected to be incurred by Lessee, third party or any governmental agency to study, assess, contain or remove any Hazardous Substances on, under, about or near the Premises for which expense or loss Lessee may be liable or for which a lien may be imposed on the Premises; (iii) written notice of any knowledge or information Lessee obtains regarding the release or discovery of Hazardous Substances on, under or about the Premises, and (iv) written notice of all claims made or threatened by any third party against Lessee or the Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Substance.

Without Lessor's prior written consent, which shall not be unreasonably withheld or delayed, Lessee shall not take any remedial action in response to the presence of any Hazardous Substance on, under or about the Premises caused by Lessee, nor enter into any settlement agreement, consent decree, or other compromise in respect to any claims referred to in this Lease Agreement, which are the responsibility of Lessee under this Lease Agreement which remedial action, settlement, consent or compromise might, in Lessor's reasonable judgment, impair the value of the Premises; provided, however, that Lessor's prior consent shall not be necessary in the event that the presence of any Hazardous Substance on, under or about the Premises either poses an immediate threat to the health, safety or welfare of any individual or is of such a nature that an immediate remedial response is necessary and it is not possible to obtain Lessor's consent before taking such action, provided that in such event Lessee shall notify Lessor as soon as practicable of any action so taken. Lessor agrees not to withhold its consent, where such consent is required hereunder, if either (i) a particular remedial action is ordered by a court of competent jurisdiction, or (ii) Lessee has established to the reasonable satisfaction of Lessor that there is no reasonable alternative to such remedial action which would result in less impairment of the value of the Premises.

14. Notices.

All notices shall be: (i) in writing; (ii) to the address given below (or to the address specified in the most recent written notice of any change in address); (iii) with delivery by hand, U.S. mail return receipt requested or reliable overnight courier.

To Lessor: City of Yerington
 Attn: City Manager
 102 S. Main St.
 Yerington, NV 89447
 Telephone: 775-463-3511

To Lessee: Highlands Wireless Inc.
 Attn: Karen James
 PO Box 877
 Virginia City, NV 89440
 Telephone: (775) 847-4000

15. Miscellaneous

If any provision of the Lease is invalid or unenforceable with respect to any party, the remainder of this Lease or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

Terms and conditions of this Lease which by their sense and context survive the termination, cancellation or expiration of this Lease will so survive.

This Lease shall be governed under Nevada State law, and be binding on and inure to the benefit of the successors and permitted assignees of the respective parties. Any action with regard to this Lease shall be brought and maintained in the Third Judicial District Court, Lyon County, Nevada.

This Lease constitutes the entire Lease between the Parties, and supersedes all understandings, offers, negotiations and other leases concerning the subject matter contained herein. There are no representations or understandings of any kind not set forth herein. Any amendments, modifications or waivers of any of the terms and conditions of this Lease must be in writing and executed by both Parties.

No term, covenant, or condition of this Lease can be waived except in writing, signed by the party making the waiver, Lessor or Lessee, as the case may be. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent therein stated. The payment or acceptance of Rent or partial Rent with knowledge of the breach of any of the covenants of this Lease by Lessee or Lessor, as the case may be, shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by either party to or of any act requiring consent or approval of the other party shall not be deemed to waive or render unnecessary that party's consent or approval to or of any subsequent similar act.

16. INDEMNIFICATION

Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, defend, save and hold LESSOR, free, clear and harmless from and against any and all liabilities, losses, costs, expenses (including reasonable attorneys' fees), judgments, claims, administration of claims, liens and demands of any kind whatsoever caused by, resulting from or in any way connected with (i) LESSEE's acts, omissions or negligence, or the acts, omissions or negligence of LESSEE's agents, subcontractors or employees, in connection with this Lease and (ii) Lessee's use, occupation, control, management or repair of the Premises, (iii) LESSEE's breach of this Agreement or any of LESSEE's representations or warranties contained herein. Lessee shall defend any action and proceeding, which may be brought against Lessor, with respect to the foregoing or in which it is impleaded, with counsel reasonably approved by Lessor.

Lessor shall not be liable to Lessee for any damage to Lessee or Lessee's property nor property of persons parking on Property or Premises from any cause. Lessee waives all claims Lessee may have in the future against Lessor for damages to person or property arising for any reason except that were caused by Lessor's willful misconduct or gross negligence.

17. ATTORNEY FEES

In the event any breach of lease results in litigation or arbitration, the prevailing party shall be entitled to recover reasonable attorney fees from the other party.

IN WITNESS WHEREOF, the parties have entered into this Lease effective as of the date first above written.

LESSOR: City of Yerington

By: _____
Name: George Dini
Title: Mayor
Date:

LESSEE: Highlands Wireless INC.

By: _____
Name: Karen James
Title: Chief Financial Officer
Date:

EXHIBIT A
DESCRIPTION OF PREMISES

The Premise is located within APN: 001-661-001 at the coordinates of N38 58 9; W119 07 54 and is approximately 27,700 square feet in size, and at the approximate location as indicated on the attached map.

EXHIBIT B

The access easements are non-exclusive, and are as depicted in this attachment and the following page. Lessor does not convey any rights of access except as specifically indicated. The easement location and area are approximate and are subject to change provided that Lessor's right of access is not unduly altered or burdened. Lessor has the burden of securing access to the easements provided for herein.

EXHIBIT A: Leased Area - 38°58'9.00"N : 119° 7'54.00"W

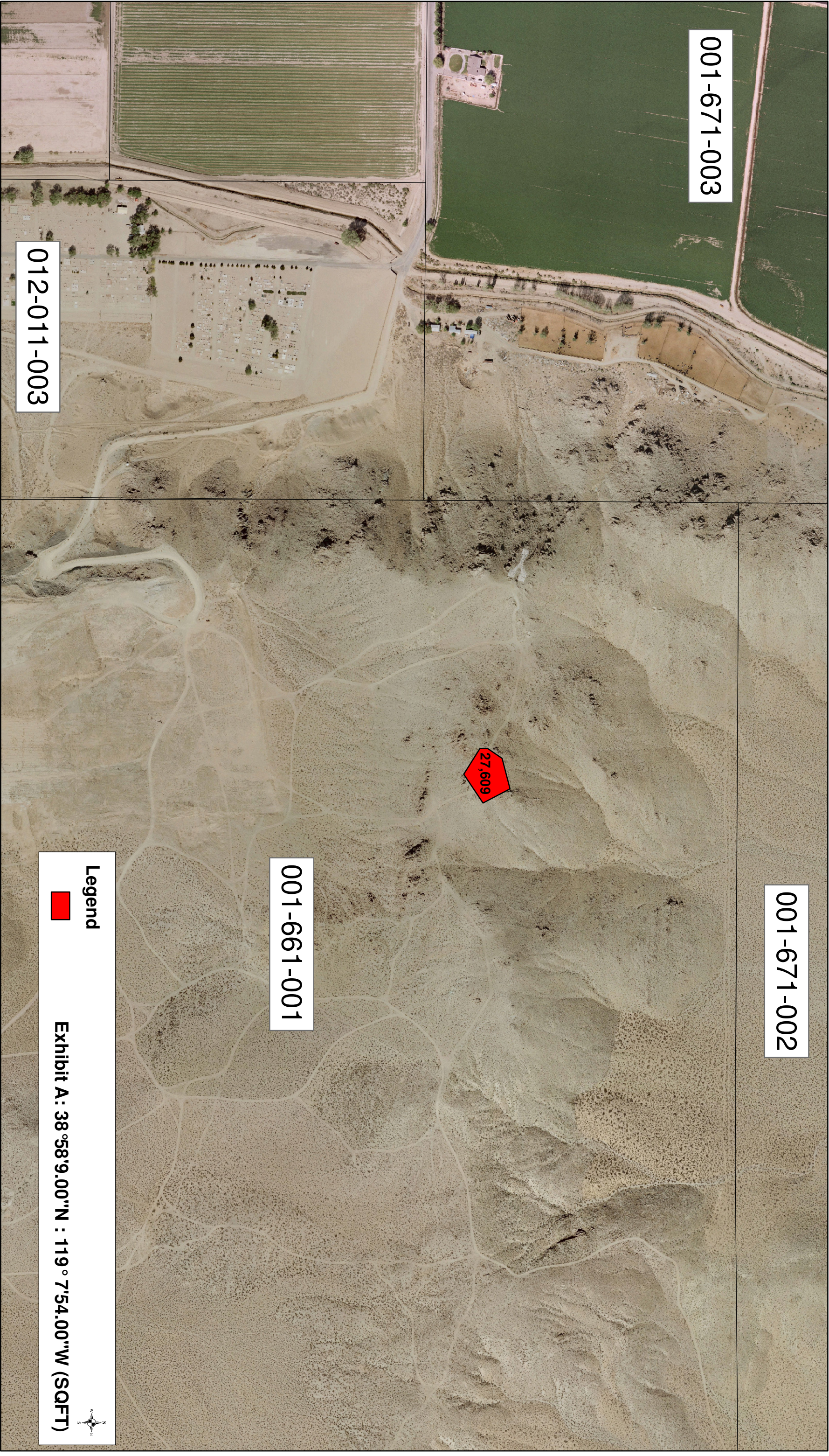
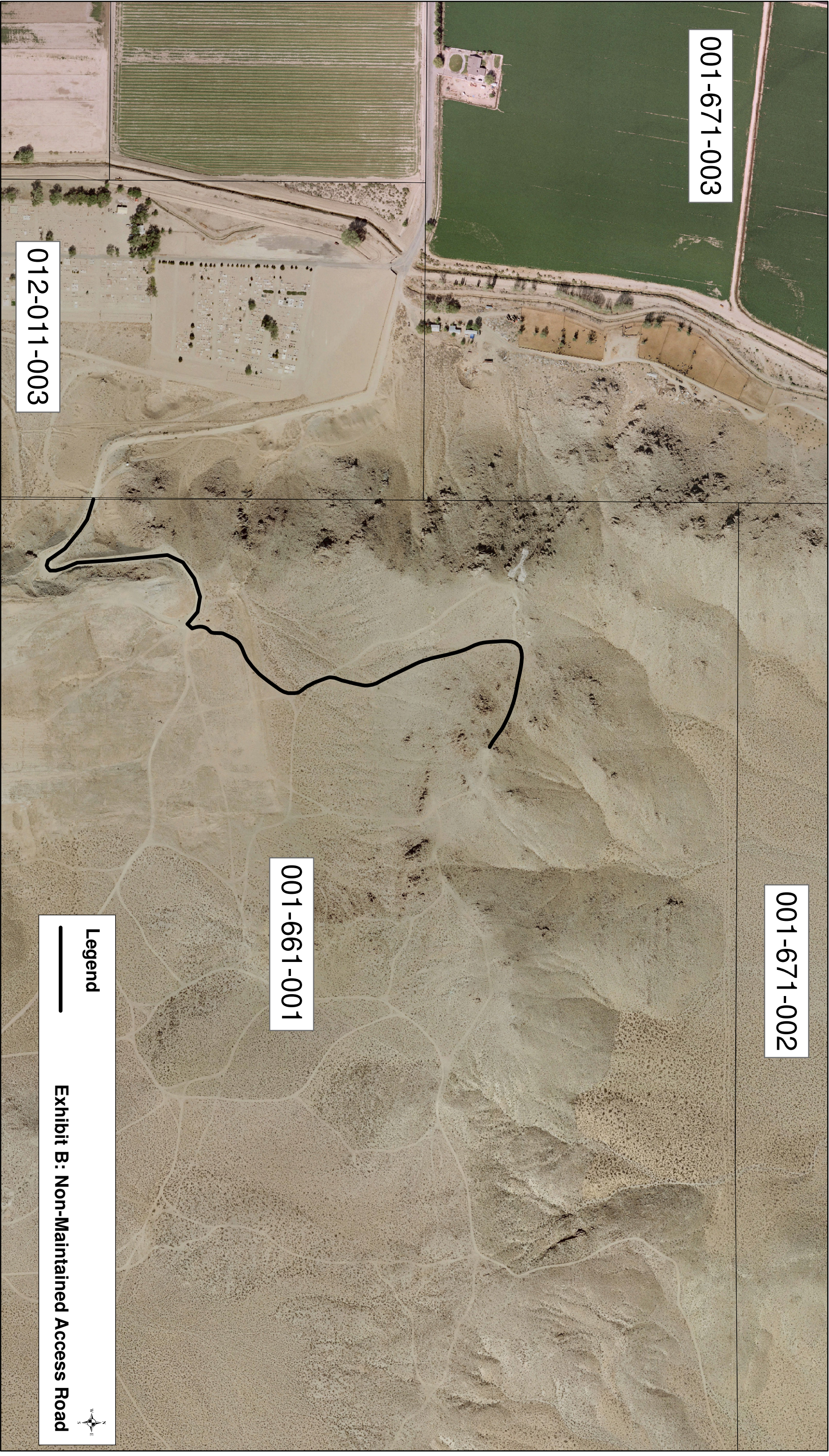


EXHIBIT B: Non-Maintained Access Road Easement



STOCK PURCHASE AGREEMENT

BY AND BETWEEN

EV HOLDINGS LLC

AND

PREFERRED NETWORKS INC., HIGHLANDS WIRELESS, INC.

AND THEIR RESPECTIVE SHAREHOLDERS

DATED AS OF AUGUST 13, 2020

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (this “**Agreement**”) is made as of **August 13, 2020**, by and among all the shareholders of the Company (collectively), Preferred Networks, Inc., a Nevada corporation and Highlands Wireless, Inc., a Nevada corporation (“**Sellers**” or “**Shareholders**”), and EV HOLDINGS LLC, a Delaware Limited Liability Company (“**Buyer**”). The Sellers and Buyer are collectively referred to herein as the “**Parties**” and individually as a “**Party**.” This Agreement shall supersede any prior stock purchase agreement entered into between the Parties which shall be deemed null and void. Except as otherwise indicated herein, capitalized terms used in this Agreement are defined in **Article I** hereof. Sellers or Shareholders shall mean John Schmoker.

WHEREAS, Shareholders own all of the issued and outstanding shares in their respective companies, Preferred Networks, Inc., and Highlands Wireless, Inc.

WHEREAS, Buyer desires to acquire from the Shareholders, and the Shareholders desire to sell to Buyer or its Affiliates, all outstanding shares which the Shareholders own in the Company as hereinafter specified. The purchase and sale of all outstanding shares in the Company are contingent upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth below:

“**Accounting Principles**” means the accounting methodology based on the cash basis through December 31, 2019.

“**Affiliate**” of any particular Person means any other Person controlling, controlled by or under common control with such particular Person, where “control” means the possession, directly or indirectly, of the power to direct the management and policies of such Person whether through the ownership of voting securities, by contract or otherwise.

“**Breakup Fee**” means the costs of Buyer’s legal, accounting, advisory and other professional fees, not to exceed one hundred thousand dollars (\$100,000) resulting from the Seller’s sale of any of the Current Assets to any Person during the Exclusivity Period.

“**Business Day**” means any day other than a Saturday, Sunday or other day on which commercial banks in San Francisco, California are authorized or obligated by Law or executive order to close.

“**Closing Date**” means a date that is on or before July 15, 2020

“**Code**” means the Internal Revenue Code of 1986, as amended from time to time.

“Contingency Requirements” mean those requirements listed in Section 2.1(c), any one of which if not met, shall entitle Buyer to terminate this Agreement without penalty, and Buyer will be entitled to reimbursement of its Earnest Money held in escrow within ten (10) days of notice to Seller.

“Company Shares” means all of the issued and outstanding shares of capital stock or Equity Interests of the Sellers.

“Contract” means any contract, license, sublicense, mortgage, purchase order, indenture, loan agreement, lease, sublease, agreement or instrument or any binding commitment to enter into any of the foregoing (in each case, whether written or oral) to which a Person is a party or by which any of its assets are bound, other than the Benefit Plans.

“Employment Agreements” means those employment agreements to be entered into with each of the Employees, relating to their employment as set forth in Schedule 1.1 .

“Environment” means the natural environment, (including, without limitation, soil, land surface or subsurface strata, surface waters, groundwater, sediment, ambient air (including all layers of the atmosphere), organic and inorganic matter and living organisms, and any other environmental medium or natural resource and all sewer systems.

“Environmental Law” means all applicable Laws relating to public health and safety, pollution or the protection of the Environment, including all Environmental Permits, as the foregoing are enacted and in effect prior to, on or after the Closing Date.

“Environmental Liability” means any claim, demand, order, suit, obligation, liability, cost (including the cost of any investigation, testing, compliance or remedial action), damage (including consequential damages), loss, expense (including reasonable and incurred attorney’s and consultant’s fees and expenses) or other responsibility arising out of, relating to or resulting from any Environmental Law or environmental, health or safety matter or condition, including natural resources and the presence, use, production, generation, handling, transport, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release control, cleanup or management of Hazardous Substances, and related in any way to the Sellers or to this Agreement or its subject matter, in each case whether arising, caused by or incurred before or at Closing.

“Environmental Permits” means any License required under or issued pursuant to any applicable Environmental Law.

“Equity Interests” means as to Sellers, any security or right convertible into, exchangeable for, or evidencing the right to subscribe for, any such stock or equity interest, any stock appreciation right, contingent value right or similar security or right that is derivative of any such stock, equity interest or security, or any contract to grant, issue, award, convey or sell any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time.

“Earnest Money” means an initial payment of ten thousand dollars (\$10,000) by Buyer which will be placed into escrow with a mutually agreed upon escrow agent within seven (7) days of the signing of this Agreement.

“Exclusivity Period” means from May 4, 2020 until July 15, 2020.

“FCC” means Federal Communications Commission

“Free Cash Flow” means with respect to any period, the consolidated net income of the Sellers for such period less any amounts for the sale of assets outside the ordinary course of business, all capital expenditures, payments made with respect to any Indebtedness during such period, and other cash payments made but not taken into account in determining the net income of the Sellers during such period, all determined in accordance with the Accounting Principles.

“Governmental Authority” means any (i) U.S. federal, Washington state, local, or municipal government, (ii) governmental authority of any nature (including any governmental agency, branch, department or other entity and any court or other tribunal), (iii) multinational organization or (iv) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature in the U.S.

“Hazardous Substances” means any material or waste or other substance that is regulated, listed, defined, designated or classified as, or otherwise determined to be, dangerous, hazardous, radioactive, explosive or toxic or a pollutant or a contaminant under or pursuant to any Environmental Laws, including any mixture or solution thereof, and specifically including petroleum and all derivatives thereof or synthetic substitutes therefor and asbestos or asbestos-containing materials.

“Indebtedness” of any Person and only in connection with the Purchased Assets means (i) any indebtedness for borrowed money or issued in substitution for or exchange of indebtedness for borrowed money, (ii) any indebtedness evidenced by any note, bond, or other debt security, (iii) any indebtedness for the deferred purchase price of the Purchased Assets with respect to which a Person is liable, contingently or otherwise, as obligor or otherwise, (iv) any commitment by which a Person assures a creditor against loss (including, without limitation, contingent reimbursement Liability with respect to letters of credit), (v) any indebtedness guaranteed in any manner by a Person and secured with the Purchased Assets (including, without limitation, guarantees in the form of an agreement to repurchase or reimburse), (vi) any Liabilities in connection with the Purchased Assets with respect to which a Person is liable, contingently or otherwise, as obligor, guarantor or otherwise, (vii) any indebtedness secured by a Lien on the Company Shares or Purchased Assets, (viii) any off-balance sheet financing of a Person (but excluding all capital and operating leases) with the Purchased Assets, (xii) any accrued and unpaid interest on, and any prepayment premiums, penalties or similar charges in respect of, any of the foregoing obligations computed as though payment is being made in respect thereof on the Closing Date. For the avoidance of doubt, Indebtedness shall not include Assumed Liabilities or Excluded Liabilities.

“Knowledge” as used in the phrases “to the Knowledge of the Sellers”, “to the Seller’s Knowledge” or phrases of similar import means as of the Effective Date of this Agreement, the actual knowledge of the Sellers.

“Laws” means (i) all U.S. constitutions, treaties, laws, statutes, codes, ordinances, orders, decrees, rules, regulations and municipal by-laws, (ii) all judgments, orders, writs, injunctions, decisions, rulings, decrees, directions, instructions, penalties, sanctions and awards of any Governmental Authority.

“Lease Agreement” means lease agreements entered into between the Sellers and the landlords of any currently occupied office space and attached hereto as Exhibit A.

“Liability” means any liability, debt, obligation, deficiency, Tax, penalty, assessment, fine, claim, cause of action or other loss, fee, cost, expense or liability of any kind or nature whatsoever, whether asserted or unasserted, absolute or contingent, known or unknown, accrued or unaccrued,

liquidated or unliquidated, and whether due or to become due and regardless of when asserted and required to be disclosed in a balance sheet in accordance with the Accounting Principles.

“Lien” means any mortgage, hypothecation, pledge, security interest, encumbrance, prior claim, Tax, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof) or any agreement to file any of the foregoing, any sale of receivables with recourse against a Person, and any filing or agreement to file a financing statement as debtor under the Uniform Commercial Code or any similar statute solely in connection with the Purchased Assets.

“Material Adverse Effect” means as of May 4, 2020 and except as disclosed in the Schedules herein, an event, circumstance, condition or change which has had or is reasonably likely to have, individually or in the aggregate (taking into account all other events, circumstances, conditions or changes) a material adverse effect on the business, assets, prospects, condition (financial or otherwise), operations or operating results of the Sellers prior to the Closing Date; provided however, any adverse event, circumstance, condition or change (a) resulting from economic factors affecting the economy as a whole or (b) resulting from factors generally affecting the specific markets in which the Sellers compete, which in each case, are not unique to the Sellers, shall not be deemed in themselves, either alone or in combination, to constitute, and shall not be taken into account in determining whether there has been, a Material Adverse Effect.

“Ordinary Course of Business” means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

“Permitted Liens” means (i) Liens for Taxes or other governmental charges, assessments or levies which are not yet due and payable, (ii) statutory landlord’s, mechanic’s, carrier’s, workmen’s, repairmen’s or other similar Liens arising or incurred in the Ordinary Course of Business and not yet due and payable and in respect of which adequate holdbacks are being maintained as required by applicable Laws, and (iii) minor imperfections of title, conditions, easements and reservations of rights, including easements and reservations of, or rights of others for, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, encroachments, covenants and restrictions, the existence of which do not materially impair the operations of the Sellers in the Ordinary Course of Business or the value of the Purchased Assets taken as a whole. Notwithstanding the foregoing, any Lien for Indebtedness or Taxes as of the Closing will not be a Permitted Lien.

“Person” means an individual, a partnership, a limited liability company, a corporation, a cooperative, an association, a trust, a joint venture, an unincorporated organization and a Governmental Authority or any department, agency or political subdivision thereof.

“Prepayments” shall mean any prepayments or prepaid expenses made by the Sellers, or any refunds for the benefit of the Sellers as of the Closing Date.

“Proprietary Rights” means all registered and unregistered intellectual property rights owned by the Sellers, including, without limitation, all of the following items along with all income, royalties, damages, equitable relief and payments due or payable prior to or at the Closing or thereafter (including, without limitation, damages, equitable relief and payments for past, present or future infringements or misappropriations thereof, the right to sue and recover for past infringements or misappropriations thereof and any and all corresponding rights that, now or hereafter, may be secured throughout the world): (i) patents, patent applications, patent disclosures and inventions (whether or not patentable and whether or not reduced to practice) and any reissue, continuation, continuation-in-part, division, revision, extension or reexamination thereof; (ii) trademarks, service marks, industrial designs,

trade dress, internet domain names and web sites, logos, topographies, trade names and corporate names, together with all goodwill associated therewith; (iii) registered and unregistered copyrights, copyrightable works (including for all computer software) and mask works; (iv) all registrations, applications and renewals for any of the foregoing; (v) trade secrets and confidential information (including, without limitation, ideas, formulae, compositions, know-how, manufacturing and production processes and techniques, research and development information, drawings, specifications, designs, plans, proposals, technical data, financial, business and marketing plans, and customer and supplier lists and related information); (vii) other intellectual property rights; (viii) licenses or other agreements to third parties regarding the foregoing; and (ix) all copies and tangible embodiments of the foregoing (in whatever form or medium), in each case including, without limitation, the items set forth on Schedule 1.2 and all claims and other rights with respect thereto.

“Purchase Price” means an amount equal to (i) \$2,150,000 plus (ii) the Assumed Liabilities for both Preferred Networks, Inc. and Highlands Wireless, Inc.

“Repaid Indebtedness” means all Indebtedness of the Sellers outstanding as of three (3) Business Days prior to Closing and paid by Buyer.

“Sellers Note” means that note agreement entered into between Buyer and the Sellers in connection with the Purchase Price at the interest of six percent (6%) per annum. The Seller Note shall be in the amount Four Hundred Thousand Dollars (\$400,000), amortized over ten (10) years. The principle balance of the Sellers Note shall be due and payable in full at the three year anniversary of the Closing Date, provided that the Buyer is in compliance and good standing with all covenants set by the senior lender. The Sellers Note shall be personally guaranteed by the Buyer.

“Subsidiary” means, with respect to any Person, any corporation, partnership, limited liability Seller, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a partnership, limited liability company, association or other business entity, a majority of the partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a partnership, limited liability company, association or other business entity if such Person or Persons shall be allocated a majority of partnership, limited liability company, association or other business entity gains or losses or shall be or control the managing director or general partner of such partnership, limited liability company, association or other business entity.

“Tax” or “Taxes” means (A) any and all federal, state, provincial, municipal, local and foreign taxes, assessments and other governmental charges, duties, impositions and liabilities, including taxes based on or measured by gross receipts, income, profits, sales, capital, use, occupation, goods and services, value added, *ad valorem*, transfer, franchise, withholding, customs duties, disability, payroll, recapture, employment, excise and property taxes, together with all interest, penalties, fines and additions imposed with respect to such amounts and (B) any liability for the payment of any amounts of the type described in paragraph (A) above as a result of any express or implied obligation to indemnify any other Person or as a result of any obligations under any agreements or arrangements with any other Person with respect to such amounts and including any liability for Taxes of a predecessor entity.

“Tax Returns” means all federal, state, provincial, municipal, local and foreign returns, declarations, reports, estimates, elections, designations, claims for refund, information returns or other

documents and amendments thereto (including any related or supporting schedules, statements or information) filed or required to be filed in connection with the determination, assessment or collection of Taxes of any party or the administration of any Laws or administrative requirements relating to any Taxes.

“Transaction Documents” means this Agreement, the Employment Agreements, the Lease Agreement, the Seller Note, the Consulting Agreement and all corporate formation documents in connection with Buyer and any other agreement contemplated hereby and thereby to which any of the Parties hereto is a party.

ARTICLE II

PURCHASE AND SALE OF ASSETS

Section 2.1 Purchase and Sale of Assets.

(a) On and subject to the terms set forth in this Agreement, on the Closing Date, Buyer shall purchase, and the Shareholders shall sell, convey, assign, transfer and deliver, free and clear of all Indebtedness and Liens (except for any Permitted Liens and except as otherwise disclosed in this Agreement and in the Schedules attached hereto) by appropriate instruments of conveyance reasonably satisfactory to Buyer, all rights, titles and interests of every kind or nature held by the Shareholders and which Shareholders have the right to legally transfer (including indirect and other forms of beneficial ownership) as of the Closing Date in the Company Shares.

(b) **Contingency Requirements.** Notwithstanding anything else in this Agreement, should any of the following Contingency Requirements not be satisfied prior to the Closing Date, the Parties agree this Agreement will terminate on its face, without penalty or liability to either Party, and Buyer will be entitled to any and all Earnest Money paid, held in escrow, due within ten (10) days of notice to Sellers. The Contingency Requirements are as follows:

(i) Buyer’s ability to obtain financing per Buyer’s requirements, including Buyer’s ability to secure at least eighty percent (80%) of the Purchase Price with a loan from a lending institution of Buyer’s choice, with a minimum commitment letter from the lender within thirty (30) days of the execution of the Agreement, followed by receipt of funding to Buyer from such institution within sixty (60) days;

(ii) the execution of the Sellers Note, in an amount, format and with terms agreeable to the lender, Buyer and Sellers;

(iii) [omitted];

(iv) the Parties mutually agreeing to the terms of this Agreement;

(v) Seller’s timely response to any due diligence requests of Buyer within three (3) business days of Buyer’s request and production of the due diligence items as set forth in Exhibit B which may be amended at any time by Buyer prior to the Closing Date;

(vi) Buyer’s satisfaction with the due diligence review and any information provided by Seller;

(vii) Buyer’s satisfaction that Seller is in compliance with all applicable laws, including all environmental and employment laws;

(viii) Seller's ability to obtain all applicable third party or government consents in connection with this Agreement;

(ix) Completion of quality of earnings report to the satisfaction of Buyer;

(x) Completion of tax evaluation to ensure that purchase price will be deductible to the Buyer unless otherwise agreed by both parties;

(xi) Transfer or assignment of any applicable Licenses to Buyer, including but not limited to any applicable FCC, state or local licenses, prior to Closing; and,

(xii) Seller's submission of all Schedules and Exhibits to Buyer at least fifteen (15) days prior to Closing.

Section 2.2 Purchase Price. As set forth in the definition of the "Purchase Price," the total Purchase Price for Preferred Networks, Inc. and Highlands Wireless, Inc. is \$2,150,000 plus (ii) the Assumed Liabilities. The Purchase Price shall be allocated as follows: \$1.7 Million of the Purchase Price is allocated to Preferred Networks, Inc. and \$450,000 of the Purchase Price is allocated to Highlands Wireless, Inc. The Sellers Note, as defined above, shall be allocated towards the Purchase Price for Preferred Networks, Inc. Accounting for the Sellers Note, at the Closing and as otherwise provided in this Agreement, Buyer agrees to (a) deliver the balance of One Million Three Hundred Thousand (\$1.3 Million) of the Purchase Price to the Shareholders in connection with the purchase of all equity in Preferred Networks, Inc., and Four Hundred and Fifty Thousand Dollars (\$450,000) to the Shareholders in connection with the purchase of all equity in Highlands Wireless, Inc., or such other amount as agreed between Buyer and Shareholders, by wire transfer of immediately available funds, less any adjustments to the estimated Free Cash Flow and Repaid Indebtedness. Buyer shall provide Seller with an itemization of the Repaid Indebtedness at least One (1) Business Day prior to the Closing Date. Payment of the Purchase Price is contingent upon Contingency Requirements of Section 2.1(c). In the event that the Seller sells any of the Purchased Assets during the Exclusivity Period, Seller shall be liable to Buyer for the Breakup Fee which shall be paid to Buyer within thirty (30) days of Buyer's demand.

Section 2.3 Purchase Price Adjustment

(a) Statement of Adjustment.

(i) At least seven Business Days prior to the expected Closing Date, Sellers shall prepare and deliver to Buyer a statement (the "Estimated Sellers Closing Statement") consisting of a calculation in reasonable detail of the estimated Free Cash Flow amount and the estimated amount as of the Closing of Indebtedness of the Sellers. The Estimated Sellers Closing Statement shall be prepared in good faith and in accordance with the Accounting Principles. Buyer shall have the right to object to the amounts contained in the Estimated Sellers Closing Statement within five Business Days after the delivery of the Estimated Sellers Closing Statement to Buyer. If Buyer has made any objections, Sellers will re-issue an Estimated Seller Closing Statement containing the Estimated Closing Indebtedness no later than two Business Days prior to the Closing Date.

(b) Closing Statement. As promptly as practicable following the Closing Date (but in any event within 30 days thereafter), Buyer shall prepare and deliver to Sellers a statement (the "Closing Statement") consisting of a calculation in reasonable detail of the Free Cash Flow adjustments and Repaid Indebtedness. Sellers shall provide to Buyer and its representatives full access to the books and records of the Sellers and to any other information, including work papers of its accountants and access to employees as Buyer shall reasonably request in connection with Buyer's preparation of the Closing Statement.

(c) Closing Statement Dispute Notice. The Closing Statement shall become final, binding and conclusive upon Sellers and Buyer on the 30th day following Sellers' receipt of the Closing Statement unless on or prior to such 30th day, Sellers deliver to Buyer a written notice (a "Closing Statement Dispute Notice") stating that Sellers dispute one or more items contained in the Closing Statement and specifying in reasonable detail each disputed item.

(d) Resolution Period. If Sellers deliver a Closing Statement Dispute Notice, then Buyer and Sellers shall seek in good faith to resolve the disputed items during the 30-day period beginning on the date Purchaser receives the Closing Statement Dispute Notice (the "Resolution Period"). If Buyer and Sellers cannot reach agreement on the Closing Statement, they shall engage a neutral, third party accountant to issue a written determination of the disputed items within thirty days.

(e) Final Cash Adjustment. If, as set forth on the final Closing Statement, the Free Cash Flow amount less than such estimated amount prior to Closing and/or the Repaid Indebtedness exceeds the estimated amount prior to Closing, Buyer may reduce any amount owed to Sellers under the Sellers Note by an amount equal to a reduction in the estimated Free Cash Flow and/or the exceeded amounts of any estimated Repaid Indebtedness.

Section 2.4 Closing Transactions.

(a) Subject to the terms and conditions set forth in this Agreement, the date and time of the Closing are herein referred to as the "Closing Date".

(b) Subject to the terms and conditions set forth in this Agreement, the following transactions shall be consummated on the Closing Date:

(i) The Sellers shall deliver to Buyer or one or more of its designated Affiliates the Company Shares;

(ii) Buyer shall deliver to the Seller the consideration specified in Section 2.3 to be delivered on the Closing Date in exchange for the transfer to Buyer or one or more of its designated Affiliates of the Company Shares; and

(iii) The Parties and their respective Affiliates shall deliver the certificates and other documents and instruments required to be delivered by or on behalf of such Person under Article III.

Section 2.5 Assignment of Contracts and Rights. As of the Closing Date, this Agreement assigns any Contracts of Sellers to Buyer where all applicable third party consents are obtained or the Sellers have disclosed any third party consents to be obtained as set forth in the Schedules hereto. The Sellers will use best efforts to obtain the consent of the other parties to any such Contract for the assignment thereof to Buyer as Buyer may request. Unless and until such consent is obtained, or if an attempted assignment thereof would be ineffective or would adversely affect the rights of the Sellers thereunder so that Buyer would not in fact receive all rights under such Contract, the Sellers and Buyer will cooperate in an arrangement under which Buyer would obtain the benefits and assume the obligations thereunder in accordance with this Agreement, including subcontracting, sub-licensing, or subleasing to Buyer, or under which the Sellers would enforce, at Buyer's expense, for the benefit of Buyer, with Buyer assuming at Buyer's expense the Sellers' obligations, any and all rights of the Sellers against a third party thereto. The Sellers will promptly pay to Buyer when received all monies received by the Sellers under any Contracts after the Closing Date or which was otherwise a payment intended for Buyer; it being agreed that, without limiting the generality of the foregoing, the Sellers shall use their best efforts to establish an automatic sweep procedure such that all monies received by the Sellers under any Contracts after the Closing Date or which was otherwise a payment intended for Buyer shall be automatically transferred by the Sellers' banks

to Buyer and the Sellers shall provide Buyer with reasonable rights to review and audit the Sellers' bank records to ensure compliance with this Section 2.5. Buyer shall pay, defend, discharge and perform all Liabilities under such Contracts after the Closing Date except as otherwise provided under this Agreement.

ARTICLE III

CLOSING DELIVERIES

Section 3.1 Closing Deliveries.

(a) Deliveries by Buyer. At the Closing, Buyer will deliver (or cause to be delivered) the following:

(i) to the Sellers the consideration specified in Section 2.2 in exchange for the transfer to Buyer or one or more of its designated Affiliates all of the Company Shares;

(ii) the Sellers Note, duly executed by Buyer;

(iii) to each third party described in the payoff letters with respect to the Repaid Indebtedness, the payoff amounts set forth therein;

(iv) employment offer letters or agreements to the employees set forth in Schedule 1.1; and,

(v) any Transaction Documents, duly executed by the Buyer;

(b) Deliveries by the Sellers and Shareholders. At the Closing, the Shareholders and Sellers will deliver (or cause to be delivered) the following:

(i) to Buyer or one or more of its designated Affiliates, the Company Shares, including any stock certificates;

(ii) to Buyer, payoff letters with respect to all Repaid Indebtedness and written releases of any and all Liens held by third parties;

(iii) to Buyer, recent copies of the articles of incorporation and other governing or organizational documents, as applicable, of the Sellers;

(iv) to Buyer, recent certificates of good standing for the Sellers from the appropriate officials of the jurisdiction of its formation;

(v) [omitted]

(vi) [omitted]

(vii) to Buyer, the Transaction Documents to which the Sellers or Shareholders are parties, duly executed by the Sellers and Shareholders; and

(viii) such other documents or instruments as the Buyer may reasonably request to effectuate the transactions contemplated hereby.

(ix) Filing of FCC form 603 and any related documentation.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES **CONCERNING THE SELLERS**

Except as set forth in the disclosure schedules dated as of the date hereof and delivered herewith to Buyer (the “Disclosure Schedules”), and as a material inducement to Buyer to enter into this Agreement, the Sellers and Shareholders, jointly and severally, represent and warrant to Buyer, as of the date hereof, that:

Section 4.1 (a) Organization and Power. The Sellers are corporations duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization. The Sellers to the Sellers’ Knowledge, have full power and authority and all licenses, permits and authorizations necessary to own and operate and carry on their business as now conducted and presently proposed to be conducted, except where the failure to obtain an authorization has not had or is not reasonably likely to have a Material Adverse Effect. The Sellers have delivered to Buyer correct and complete copies of the certificates of incorporation and bylaws of the Sellers, as amended to date. The minute books (containing the records of meetings of the the board of directors, and any committees thereof), the stock certificate books, and the stock record books for the Sellers are correct and contain copies of all governing and organizational documents and actions taken by the Sellers’ board of directors. The Sellers are not in default under or in violation of any provision of its governing or organizational documents.

(b) Capitalization. The authorized capital stock of the Sellers consists solely of 255 shares of common stock in Preferred Networks, Inc. of which 255 shares are issued and outstanding, and 1000 shares of common stock in Highlands Wireless, Inc. are issued and outstanding. The Company Shares represent all shares of the Sellers’ stock issued and outstanding. All Company Shares have been duly authorized and validly issued, are fully paid and nonassessable, and were issued in compliance with all applicable Laws concerning the issuance of securities. There are no other Equity Interests of the Sellers issued, authorized or outstanding. There are no preemptive or other outstanding rights options, warrants, conversion rights, stock appreciation rights, repurchase rights, agreements, arrangements or commitments of any character under which the Sellers may become obligated to issue or sell, or giving any Person a right to subscribe for or acquire, or in any way dispute of, any Equity Interests of the Sellers, or convertible into any Equity Interests of the Sellers. Furthermore, there are no phantom stock or similar rights providing economic benefits based, directly or indirectly, on the value or price of the Equity Interests of the Company.

(c) Company Shares. Shareholders represent and warrant that they own all rights, title and interest in connection with the Company Shares which are not subject to any Liens or any claims or demands by any party in connection with the ownership rights thereto.

Section 4.2 Authorization of Transactions. The Shareholders and Sellers have full corporate power and authority to execute and deliver this Agreement and each of the Transaction Documents to which it is a party and to consummate the transactions contemplated hereby and thereby. The Sellers and Shareholders have duly approved this Agreement and all other Transaction Documents to which the Sellers and Shareholders are parties and have duly authorized the execution and delivery of this Agreement and all other Transaction Documents to which the Seller and Shareholders are parties and the consummation of the transactions contemplated hereby and thereby. No other proceedings on the part of the Sellers and Shareholder are necessary to approve and authorize the execution and delivery of this Agreement or the other Transaction Documents to which the Sellers and Shareholders are parties and the consummation of the transactions contemplated hereby and thereby. This Agreement and all other Transaction Documents

to which the Sellers and Shareholders are parties have been duly executed and delivered by the Sellers and Shareholders and constitute the valid and binding agreements of the Sellers and Shareholders, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws relating to creditors' rights generally and to general principles of equity.

Section 4.3 Sufficiency and Condition of Assets. The assets set forth in Schedule 4.3 constitute all the assets and services used and owned by the Sellers in operating its business as it is currently operated by the Sellers and will enable Buyer and its Affiliates to operate such business after the Closing in substantially the same manner as operated by the Seller prior to the Closing. Except as set forth on Schedule 4.3, the assets are in good condition and repair, except for reasonable wear and tear not caused by neglect or which are not material in nature or cost, and are usable in the Ordinary Course of Business.

Section 4.4 Subsidiaries. The Sellers have no Subsidiaries. The Sellers do not control directly or have any direct equity participation in any corporation, partnership, trust, or other business association. The Sellers do not own or have any right to acquire, directly or indirectly, any outstanding capital stock of, or other equity interests in, any Person.

Section 4.5 Absence of Conflicts. Except as set forth on Schedule 4.5 attached hereto, and to the Sellers' Knowledge, the execution, delivery and performance of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby by the Sellers do not and shall not (a) conflict with or result in any breach of any of the terms, conditions or provisions of, (b) constitute a default under, (c) result in a violation of, (d) give any third party the right to modify, terminate or accelerate or cause the modification, termination or acceleration of, any obligation under, (e) result in the creation of any Lien upon any of the assets of the Sellers, or (f) require any authorization, consent, approval, exemption or other action by or notice or declaration to, or filing with, any court or administrative or other governmental body or agency, under (i) the provisions of the governing and organizational documents of the Sellers, (ii) any Contracts of Sellers, (iii) any law, statute, rule or regulation to which the Sellers or any of the assets is subject, or (iv) any judgment, order or decree to which the Sellers or any of the assets is subject.

Section 4.6 Financial Statements. The Sellers have delivered to Buyer and attached hereto as Schedule 4.6: the compiled balance sheet of the Sellers as of July 31, 2020 (the "Latest Balance Sheet") and the profit and loss statements, and the related compiled statements of income and cash flow for each of the respective years then ended. Except for the exceptions described on Schedule 4.6 attached hereto, each of the foregoing financial statements (including in all cases the notes thereto, if any) (the "Financial Statements") are consistent with the books and records of the Sellers (which, in turn, are accurate and complete in all material respects) and present fairly the financial condition and results of operations and cash flows of the Sellers as of and for the periods referred to therein in accordance with the Accounting Principles. During the periods covered by the Financial Statements, the Sellers have utilized consistent accounting principles and have not made any material change in its methods of accounting or such principles during such periods.

Section 4.7 Absence of Undisclosed Liabilities. Except as otherwise disclosed in Schedule 4.7, the Sellers have no Liability required to be disclosed in its balance sheet in accordance with the Accounting Principles and arising out of transactions entered into at or prior to the Closing, or any action or inaction at or prior to the Closing, or any state of facts existing at or prior to the Closing, with respect to or based upon transactions or events occurring on or before the Closing, except (i) Liabilities under Contracts described in Schedule 4.7 or under Contracts which are not required to be disclosed thereon (but not Liabilities for breaches thereof), (ii) Liabilities reflected on the face of the Latest Balance Sheet, (iii) Liabilities which have arisen after the date of the Latest Balance Sheet in the Ordinary Course of Business or otherwise in accordance with the terms and conditions of this Agreement (none of which is a liability for

breach of contract, breach of warranty, tort or infringement or a claim or lawsuit or an environmental liability) and (iv) Liabilities disclosed on Schedule 4.7.

Section 4.8 Absence of Certain Developments.

(a) Except as set forth in Schedule 4.8(a) and except as expressly contemplated by this Agreement, since March 1, 2020, the Sellers have conducted their business only in the Ordinary Course of Business and the Sellers have not:

(i) suffered a Material Adverse Effect or suffered any theft, damage, destruction or casualty loss in excess of \$5,000 for any occurrence to its assets, whether or not covered by insurance;

(ii) redeemed or repurchased, directly, any of their Equity Interests or declared, set aside or paid any dividends or made any other distributions (whether in cash or in kind) with respect to any of its capital stock or other Equity Interests;

(iii) issued, sold or transferred any notes, bonds or other debt securities, any equity securities, any securities convertible, exchangeable or exercisable into its equity securities, or options or other rights to acquire equity securities;

(iv) borrowed any amount or incurred or become subject to any Indebtedness or other Liabilities in excess of \$5,000, except current liabilities incurred in the Ordinary Course of Business and not constituting Indebtedness;

(v) discharged or satisfied any Lien or paid any Liability in excess of \$5,000 (other than Liabilities paid in the Ordinary Course of Business), prepaid any amount of Indebtedness or subjected any portion of its properties or assets to any Lien;

(vi) sold, leased, assigned or transferred (including, without limitation, transfers to any Seller or any Insider) any of its tangible or intangible material assets (including material Proprietary Rights) (except for sales of inventory or services in the Ordinary Course of Business to unaffiliated third Persons on an arm's length basis), or disclosed any material confidential information to any third Persons (other than pursuant to agreements requiring the Person to whom the disclosure was made to maintain the confidentiality of and preserving all rights of the Seller in such confidential information);

(vii) waived, canceled, compromised or released any rights or claims of material value, whether or not in the Ordinary Course of Business that has had or is reasonably likely to have a Material Adverse Effect;

(viii) entered into, amended or terminated any material Contract or entered into any other material transaction or materially changed any business practice that has had or is reasonably likely to have a Material Adverse Effect;

(ix) granted any performance guarantee to its customers other than in the Ordinary Course of Business and consistent with the policies and practices disclosed to Buyer;

(x) made, granted or promised any bonus or any wage, salary or compensation increase in excess of \$5,000 per year to any director, officer, manager, member, employee, sales representative, consultant, former employee or Insider or made, granted or promised any material

increase in any employee benefit plan or arrangement, or amended or terminated any existing employee benefit plan or arrangement (other than an amendment required by law or which would not materially increase the cost of the plan or arrangement to the Seller), or adopted any new material employee benefit plan or arrangement that has had or is reasonably likely to have a Material Adverse Effect;

(xi) entered into or amended any severance, termination or change of control agreement with any director, officer, manager, member, employee, sales representative, consultant or Insider;

(xii) made any other material change in employment terms for any of its directors, officers, managers, members and employees outside the Ordinary Course of Business or entered into any transaction with any Insider;

(xiii) conducted its cash management customs and practices other than in the Ordinary Course of Business (including, without limitation, with respect to maintenance of working capital balances and inventory levels, collection of accounts receivable, payment of accounts payable, accrued liabilities and other Liabilities and pricing and credit policies);

(xiv) made any capital expenditures that aggregate in excess of \$5,000;

(xv) made any loans or advances to any Persons (other than advances to employees for travel and business expenses incurred in the Ordinary Course of Business which do not exceed \$5,000 in the aggregate);

(xvi) changed or authorized any change in its articles of organization or operating agreement;

(xvii) instituted or settled any claim or lawsuit for an amount involving in excess of \$5,000 in the aggregate or involving equitable or injunctive relief;

(xviii) acquired any other business or entity, whether by merger, consolidation or reorganization or by purchase of its assets or stock or acquired any other material assets; or

(xix) committed or agreed to any of the foregoing.

Section 4.9 Title to Properties.

(a) The Sellers do not own any real property.

(b) The real property leases described on Schedule 4.9(b) are valid, binding, enforceable and in full force and effect and have not been modified in any manner that is likely to have a Material Adverse Effect, and the Sellers hold a valid and existing leasehold interest under such leases for the terms set forth in Schedule 4.9(b). The leases described in Schedule 4.9(b) (the “Leased Property”) constitute all of the contracts under which the Sellers hold any interest in any real property. The Sellers have delivered to Buyer complete and accurate copies of the leases described in Schedule 4.9(b). The Leased Property constitutes all of the real property used or occupied by the Sellers.

(c) Except as described in Schedule 4.9(c), the Sellers own good and marketable title to, or a valid leasehold interest in, free and clear of all Liens (except for Permitted Liens), all of the personal property and assets are included in the assets set forth in Schedule 4.3.

Section 4.10 Taxes. Except as set forth on Schedule 4.10,

(a) the Sellers have timely and duly filed or shall timely and duly file all Tax Returns which are required to be filed on or before the Closing Date, and all such Tax Returns are true, complete and accurate in all respects;

(b) all Taxes due and payable by the Sellers, whether or not shown on a Tax Return, have been paid or shall be paid by the Sellers on or prior to the due date therefor, and to the Seller's Knowledge, no Taxes are delinquent;

(c) there is no unpaid Tax which constitutes a Lien upon any of the assets of Sellers and for which Buyer would be liable under applicable law by reason of having acquired the assets;

(d) no deficiency for any amount of Tax has been asserted or assessed by any relevant taxing authority against the Sellers that has not been resolved and the Sellers do not reasonably expect that any such assertion or assessment of Tax liability will be made;

(e) there is no claim, action, suit, proceeding, investigation or audit or any other action pending or, to the Sellers' Knowledge, threatened against the Sellers regarding Taxes and, to the Sellers' Knowledge, there is no reason to expect that any such claim, action, suit proceeding, investigation, audit or any other action may be asserted against the Sellers for any period ending on or prior to the Closing Date.

(f) there are no outstanding agreements, arrangements, waivers or objections extending the statutory period or providing for an extension of time with respect to the assessment or reassessment of Taxes or the filing of any Tax Return by, or any payment of Taxes by, the Sellers; and,

(g) the Sellers have withheld and collected all known amounts required by applicable Laws to be withheld or collected by it on account of Taxes or payments made to any of its past and present directors, officers, employees and agents required to be withheld and has remitted all such amounts to the appropriate taxing authority within the time prescribed under any applicable Laws and made adequate provision for the payment of such amounts to the proper receiving authorities. The amount of Tax withheld but not remitted by the Sellers will be remitted by the Sellers to the appropriate authorities when due.

Section 4.11 Contracts and Commitments.

(a) Except as specifically contemplated by this Agreement and except as set forth in Schedule 4.11(a), or as otherwise referenced in this Agreement, the Sellers are not parties to or bound by any Contract except for (i) this Agreement and the other Transaction Agreements, (ii) any oral Contract for employment of employees (other than Insiders) at the will of the Sellers, (iii) any material Contract for the sale of goods or services from a third Person to the customers of the Sellers in the amount of \$5,000 or more (other than any Contract for the licensing of software or content to the customers of the Seller), or (iv) any Contract for the purchase of goods and services from the suppliers of the Sellers in the amount of \$5,000 or more.

(b) The Contracts required to be disclosed on Schedule 4.11(b) attached hereto are referred to herein as the "Seller Contracts". The Sellers have delivered to Buyer true and correct copies of each Seller Contract, together with all amendments, waivers and other changes thereto (all of which are disclosed on Schedule 4.11(b)). Schedule 4.11(b) contains an accurate and complete description of all material terms of all oral Contracts referred to therein. Except as disclosed in Schedule 4.11(b), (i) no Seller Contract has been canceled except in the Ordinary Course of Business or, to the Sellers' Knowledge, breached by the other party, and the Sellers have no Knowledge of any planned breach by any other party

to any Seller Contract, (ii) the Sellers have performed all the material obligations required to be performed by it in connection with the Seller Contracts and are not in default under or in breach of any Seller Contract, and no event or condition has occurred or arisen which with the passage of time or the giving of notice or both would result in a default or breach thereunder, (iii) the Sellers have no present expectation or intention of not fully performing any obligation pursuant to any Seller Contract, and (iv) to the Seller's Knowledge, each Seller Contract is legal, valid, binding, enforceable and in full force and effect and will continue as such following the consummation of the transactions contemplated hereby, subject to applicable bankruptcy, insolvency, reorganization, or moratorium or other similar Laws relating to creditors' rights generally and to general principles of equity. Since March 1, 2020, to the Knowledge of the Sellers, no material customer, supplier or distributor has indicated in writing or orally to the Sellers that it shall stop or materially decrease the rate of business done with the Sellers or that it desires to renegotiate its Contract with the Sellers except as set forth in Schedule 4.11(b).

(c) During the five-year period ending on the Closing Date, the Sellers have not used any trade names or corporate names under which they have invoiced account debtors, maintained records regarding its assets or otherwise conducted business other than the exact names set forth on Schedule 4.11(c).

Section 4.12 Proprietary Rights

(a) Schedule 1.2 sets forth a complete and correct list of the following Proprietary Rights: (i) all patents and all pending patent applications owned or filed by the Sellers; (ii) all registered trademarks, service marks and domain names and material unregistered trademarks, service marks and trade names used by the Sellers and all applications therefor; (iii) all registered copyrights owned by the Sellers and all applications therefor; (iv) all proprietary technology and computer software (e.g., internally developed back office software, etc.), (v) all licenses or similar agreements or arrangements in which the Sellers are licensees of Proprietary Rights; (vi) all license agreements in which the Sellers are a licensor of Proprietary Rights; and (vii) all other material agreements relating to Proprietary Rights.

(b) Except as set forth in Schedule 1.2, (i) to the Sellers' Knowledge, the Sellers own and possess all right, title and interest in and to, or have a valid and enforceable license or other rights to use, each of the Proprietary Rights, including those listed on Schedule 1.2, free and clear of all Liens, and no claim by any third party contesting the validity, enforceability, use or ownership of any of the Proprietary Rights has been made, is currently outstanding or, to the Knowledge of the Sellers, is threatened and, to the Knowledge of the Sellers, there are no grounds for the same, (ii) each of the Proprietary Rights, including those listed on Schedule 1.2, is included in the Purchased Assets, (iii) the Proprietary Rights, including those listed on Schedule 1.2, comprise all intellectual property rights necessary for the operation of the business of the Sellers, as currently conducted, except for such intellectual property rights which must be licensed from third Persons (iv) no loss or expiration of any material Proprietary Right owned by, issued to or licensed to the Seller or related group of Proprietary Rights is pending or, to the Knowledge of the Sellers, is threatened or reasonably foreseeable, (v) the Sellers have not received any notices of, nor are the Sellers aware of any facts which indicate a likelihood of, any material infringement or misappropriation by, any third party with respect to any Proprietary Right owned by, issued to or licensed to the Sellers (including, without limitation, any demand or request that the Sellers license rights from a third party), (vi) the Sellers have not infringed, misappropriated or otherwise conflicted with any rights of any third parties involving intellectual property, and the Sellers are not aware of any infringement, misappropriation or conflict with such third party rights involving intellectual property, which would occur as a result of the continued operation of the Sellers' business as currently conducted or as currently proposed to be conducted, (vii) the Proprietary Rights owned by or licensed to the Sellers are not currently being infringed or misappropriated by any third party; and (viii) the Sellers have not entered into any exclusive agreements or arrangements with respect to any Proprietary Rights.

(c) Each Proprietary Right will be available for use by the Buyer and its Affiliates on identical terms and conditions subsequent to the Closing as those that were applicable to the Sellers immediately prior to the Closing. The Sellers have not disclosed any of their trade secrets or confidential information that are intended to be maintained as confidential by the Sellers, in their discretion, to any third party other than pursuant to a written confidentiality agreement. The Sellers have entered into written confidentiality agreements and written proprietary rights agreements with all of its past and present employees acknowledging the Sellers' ownership of all inventions and other intellectual property rights created or developed by its employees within the scope of their employment. The Sellers have taken all reasonably necessary and desirable actions to maintain and protect their Proprietary Rights. To the Sellers' Knowledge, the owners of any proprietary rights licensed to the Sellers have taken all reasonably necessary and desirable actions to maintain and protect the proprietary rights which are subject to such licenses.

(d) The computer software, computer firmware, computer hardware (whether general purpose or special purpose), and other similar or related items of automated, computerized and/or software system(s) that are used or relied on by the Sellers in the conduct of their businesses are sufficient in all material respects for the current and anticipated future needs of such business and the Sellers have purchased a sufficient number of license seats for all software used in the business of the Sellers.

(e) To the Sellers' Knowledge, the Sellers have collected, used, imported, exported and protected all personally identifiable information, and other information relating to individuals protected by applicable law, in accordance with the privacy policies of the Sellers, all applicable laws and all agreements to which the Sellers are or have been a party relating to the protection of such information. The Sellers have not received any notice of any violation or alleged violation of the foregoing and are not aware of any facts that would indicate the existence of the same. No breach of the physical or electronic security measures adopted by the Sellers to protect personally identifiable information or other information relating to individuals that is held by the Sellers has occurred.

(f) The Sellers have not transferred ownership of, or agreed to transfer ownership of, any Proprietary Rights to any third party.

Section 4.13 Litigation; Proceedings. There are no actions, suits, proceedings, orders, judgments, decrees or investigations pending or, to the Sellers' Knowledge, threatened against or affecting the Sellers at law or in equity, or before or by any Governmental Authority, and to the Sellers' Knowledge, there is no basis for any of the foregoing except as set forth in Schedule 4.13. The Sellers have not received any opinion or legal advice in writing to the effect that the Sellers are exposed from a legal standpoint to any liability which may be material to the Sellers' business as previously, presently or proposed to be conducted. The Sellers are not subject to any outstanding order, judgment or decree issued by any court or quasi-judicial or administrative agency of any Governmental Authority.

Section 4.14 Brokerage. Except as set forth on Schedule 4.14, there are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement made by or on behalf of the Sellers.

Section 4.15 Governmental Licenses and Permits. Schedule 4.15 contains a complete listing and summary description of all material permits, licenses, franchises, certificates, approvals, consents, certificates of authorization, registrations and other authorizations of all Governmental Authorities, or other similar rights, including any FCC or local regulatory license approval (collectively, the "Licenses") owned or possessed by the Sellers or used by the Sellers in the conduct of their business. The Sellers own or possess all right, title and interest in and to all Licenses which are necessary to conduct their business as presently conducted. To the Sellers' Knowledge, the Sellers are in compliance with the terms and conditions of such Licenses. No loss or expiration of any License is pending or, to the Sellers' Knowledge,

threatened (including, without limitation, as a result of the transactions contemplated hereby) other than expiration in accordance with the terms thereof, which terms do not expire as a result of the consummation of the transactions contemplated hereby. Except as indicated on Schedule 4.15, all of the Licenses are transferrable to Buyer and/or its Affiliates and will be transferred by the Sellers to the Buyer and/or its Affiliates on the Closing Date. The consummation of the transactions contemplated by this Agreement will not require any consent, renewal or notice with respect to any License to the Sellers' Knowledge and except as set forth in Schedule 4.15.

Section 4.16 Employees.

(a) The Sellers have complied in all material respects and are in compliance with in all material respects all applicable Laws relating to the employment of personnel and labor, including provisions thereof relating to wages, hours, vacation, overtime, notice, pay in lieu of notice, termination and severance pay, human rights, occupational health and safety, equal opportunity, pay equity, immigration training and the payment of social security and other Taxes, or, in the event, the Sellers have failed to comply with any of the foregoing Laws, such failure is not reasonably likely to result in a Material Adverse Effect. The Sellers are not parties to or bound by any collective bargaining agreement. The Sellers have not experienced any strikes, slowdown, grievances, unfair labor practices claims or other employee or labor disputes except as set forth in Schedule 4.16(a). The Sellers have no Knowledge of any organizational effort presently being made or threatened by or on behalf of any employees of the Sellers nor has there been any such event in the last five years. Neither the Sellers nor, to the Knowledge of the Sellers, any employees of the Sellers, is subject to any non-compete, non-disclosure, confidentiality, employment, consulting or similar Contract relating to, affecting or in conflict with the present or proposed business activities of, the Sellers. The Sellers have paid or made adequate provision to pay all wages and other compensation and all other amounts due and payable to each of its employees or former employees through and including the Closing Date.

(b) Except as set forth in Schedule 4.16(b) no employees of the Sellers have any agreement as to length of notice, severance or termination payment required to terminate his or her employment.

(c) No employee or former employee of the Sellers is or has been, during his employment with the Sellers, an illegal or undocumented worker.

(d) Except as set forth in Schedule 4.16(d), the Sellers are not parties to any agreement which could require the Sellers to pay any additional compensation, bonuses (including, without limitation, any retention bonuses), severance pay, termination pay or change of control award or other amounts as a result, in whole or in part, of the execution and delivery of this Agreement or the Transaction Agreements or the consummation of the transactions contemplated hereby or thereby, to any employee or former employee of the Sellers.

(e) The parties hereto agree that (i) the employee information disclosed to Buyer pursuant to Schedule 4.16(e) was necessary for Buyer's determination to enter into this Agreement and proceed with the transactions contemplated hereby and for the parties to proceed with the Closing, and (ii) such information will only be used for those purposes for which it was initially collected from or in respect of such employees.

Section 4.17 Employee Benefit Plans.

(a) Except as set forth on Schedule 4.17(a), with respect to current or former employees of the Seller, the Seller does not maintain, contribute to, have any obligation to contribute to or

have any actual or potential Liability with respect to any (i) deferred compensation or bonus or retirement plans or arrangements, (ii) defined contribution or defined benefit plans or arrangements which are pension plans, or (iii) employee welfare benefit plans, severance, stock option or stock purchase plans whether in writing or oral and whether or not terminated (collectively, the “Benefit Plans”). Except as set forth in Schedule 4.17(a), the Sellers have not contributed to nor do they have any Liability with respect to any multiemployer plan. Except as set forth in Schedule 4.17(a), the Sellers do not maintain or contribute to any employee welfare benefit plan or other arrangement which provides health, accident or life insurance benefits to former employees, their spouses or dependents, other than in accordance with applicable Laws.

(b) The Benefit Plans (and any related trusts and insurance contracts), to the Sellers’ Knowledge, comply in form and in operation in all material respects with their terms and the requirements of applicable Laws.

(c) With respect to each Benefit Plan, all contributions which are due (including all employer contributions and employee salary reduction contributions) have been paid to such Benefit Plan on a timely basis.

(d) With respect to each of the Benefit Plans required to be listed on Schedule 4.17(a), the Sellers have furnished to Buyer true and complete copies of (i) the plan documents, summary plan descriptions and summaries of material modifications and other material employee communications, (ii) all related trust agreements, insurance contracts or other funding agreements which implement such plans, and (iii) all contracts relating to each such plan, including, without limitation, service provider agreements, insurance contracts, investment management agreements and recordkeeping agreements.

(e) None of the Benefit Plans to the Sellers’ Knowledge will be required by operation of law to be transferred to Buyer and/or its Affiliates as a result of the transactions contemplated hereby.

Section 4.18 Insurance. Schedule 4.18 lists each insurance policy maintained by or on behalf of the Sellers with respect to its properties, assets and business, together with a claims history for the past two (2) years. All of such insurance policies are in full force and effect, and the Sellers have not ever been (i) in default with respect to its Liabilities under any such insurance policies, or (ii) denied insurance coverage. Except as set forth in Schedule 4.18, the Sellers do not have any self-insurance or co-insurance programs. Sellers shall maintain their current insurance policies for at least one (1) year following the Closing and shall name Buyer, its officers, directors, owners, employees and agents as additional insureds.

Section 4.19 Affiliate Transactions. Except as disclosed on Schedule 4.19, no officer, director, employee or former employee, Board member or other Affiliate of the Sellers or any individual related by blood, marriage or adoption to any such Person or any entity in which any such Person owns any beneficial interest (collectively, the “Insiders”), is a party to any Contract or transaction with the Sellers or which is pertaining to the business of the Sellers or has any interest in any property, real or personal or mixed, tangible or intangible, used in or pertaining to the business of the Sellers except for such Insider’s Equity Interest in the Sellers. Schedule 4.19 hereto describes all affiliated services provided to or on behalf of the Seller by any Insider, except in the Insider’s capacity as a director or officer of the Sellers; and, to or on behalf of any Insider by the Sellers and all affiliate transactions or Contracts among the Sellers, on the one hand, and any Insider, on the other hand (including, in each case, the costs charged to or by the Sellers).

Section 4.20 Warranties. Except as set forth in Schedule 4.20, each product and service sold, provided or delivered by the Sellers has been in conformity with all applicable contractual commitments and all express and implied warranties, and the Sellers have no Liability for replacement or repair thereof or other damages in connection therewith, subject only to the reserve for warranty claims set forth on the face of the Latest Balance Sheet (rather than in any notes thereto) as adjusted for the passage of time through

the Closing Date in accordance with the past custom and practice of the Sellers. Schedule 4.20 includes copies of the standard terms and conditions of sale for the Sellers (containing applicable guaranty, warranty, and indemnity provisions). No product or service sold, provided, or delivered by the Sellers is subject to any guaranty, warranty, or other indemnity beyond the applicable standard terms and conditions set forth in Schedule 4.20.

Section 4.21 Compliance with Laws. To the Sellers' Knowledge, each of the Sellers and their officers, directors, managing members, agents, and employees have complied with in all material respects and are in compliance with in all material respects all applicable Laws which are applicable to the business, business practices (including, but not limited to, the Sellers' production, marketing, sales and distribution of its products and services) or any properties of the Sellers and to which the Sellers may be subject, and no claims have been filed against the Sellers alleging a violation of any such Laws, and the Sellers have not received notice of any such violations except as set forth in Schedule 4.21. To the extent Sellers may not be compliant with any applicable Laws, such non-compliance has not had and is not likely to result in a Material Adverse Effect.

Section 4.22 Powers of Attorney. There are no outstanding powers of attorney executed on behalf of the Sellers except as set forth in Schedule 4.22.

Section 4.23 Indebtedness; Guarantees. Other than Liabilities disclosed on the Sellers' most recent balance sheet provided to Buyer in accordance with the Accounting Principles, the Sellers are not subject to any long-term Liabilities or Indebtedness except in the Ordinary Course of Business or as otherwise disclosed in the Agreement and in Schedule 4.23 . Except as set forth in Schedule 4.23 , the Sellers are not guarantors or otherwise liable for any Liabilities of any other person, firm or corporation other than endorsements for collection in the Ordinary Course of Business.

Section 4.24 Certifications. The Sellers hold all material product and service registrations, accreditations and other certifications required for the conduct of its business (all of such registrations, accreditations and certifications being referred to herein as "Certifications"). The Sellers are in compliance in all material respects with the terms and conditions of all such Certifications and no written notices have been received by the Sellers alleging the failure to hold any Certification. To the extent that the Sellers may not be compliant with any Certifications, such non-compliance has not had and is not likely to result in a Material Adverse Effect. To the Sellers' Knowledge, there is no reasonable basis for any present or future action rescinding any such Certifications and no loss or expiration of any such Certifications is reasonably foreseeable or has had or would reasonably be expected to have a Material Adverse Effect. To the Sellers' Knowledge, all of the Product Certifications are transferable to Buyer and/or its Affiliates and will be transferred by the Sellers to Buyer and/or its Affiliates on the Closing Date.

Section 4.25 Inventory. All inventory in the possession of the Sellers, except for material held on a consignment basis, is owned by the Sellers and no inventory owned by the Sellers is in the possession of any other Person except as set forth in Schedule 4.25 . All inventory reflected on the Financial Statements is fit for the purpose for which it was procured or manufactured, is good and useable in the Ordinary Course of Business, is not damaged, obsolete or operating with diminished functionality, and is valued in accordance with the Accounting Principles.

Section 4.26 Governmental Authorities and Consents. Except as disclosed on Schedule 4.26, and to the Seller's Knowledge, the Sellers are not required to submit any notice, report or other filing with any Governmental Authority, including the FCC, in connection with the execution or delivery by it of this Agreement and the other Transaction Documents to which it is a party or the consummation of the transactions contemplated hereby or thereby. To the Sellers' Knowledge, no consent, approval or authorization of any Governmental Authority is required to be obtained by the Seller in connection with its

execution, delivery and performance of this Agreement and the other Transaction Documents to which it is a party or the transactions contemplated hereby or thereby.

Section 4.27 Officers and Managers; Bank Accounts. Schedule 4.27 lists all officers and directors of the Sellers, and all bank accounts, and safety deposit boxes (designating each authorized signatory with respect thereto) of the Seller.

Section 4.28 Accounts Receivable. All Accounts Receivable reflected in the Financial Statements, and all Accounts Receivable generated thereafter, originated or will originate in the Ordinary Course of Business and are valid, fully collectible to the Sellers' Knowledge and not subject to any defense, counterclaim or set-off, except and to the extent of the reserve against accounts receivable shown on the Financial Statements.

Section 4.29 Environmental Matters. Except as disclosed on Schedule 4.29, (a) the Sellers are and have always been in compliance in all material respects with all applicable Environmental Laws and have obtained and are in compliance, to the Sellers' Knowledge, in all material respects with all Environmental Permits, (b) the Sellers have no material (individually or taken as a whole) Environmental Liabilities, (c) there are no actions, suits, proceedings, orders, directives, notices, inquiries, warnings, judgments, decrees or investigations pending or, to the Sellers' Knowledge, threatened, against the Seller pursuant to or alleging any actual or potential violation or failure to comply with any Environmental Laws or alleging any actual or potential obligation to undertake or bear the cost of any Environmental Liabilities, (d) none of the immovable or real properties (including the Leased Property) currently or formerly owned, leased or used by the Sellers or over which they have or had charge, management or control has during the Sellers' occupation of such properties and to the Sellers' Knowledge had (i) Hazardous Substances on, at, in, or under them in excess of Environmental Laws, or (ii) asbestos, asbestos-containing materials, PCBs, lead, radioactive substances or aboveground or underground storage systems, active or abandoned, while owned, leased or used by the Sellers or any Person under their control or, to the Sellers' Knowledge, while owned, leased or used by any other Person, and (e) a copy of all reports and documents relating to environmental matters affecting the Leased Property or the Sellers which are in the possession or under the control of the Sellers have been provided to Buyer and, to the Sellers' Knowledge, there are no other reports or documents relating to environmental matters affecting the Leased Property or the Sellers which have not been made available to Buyer.

Section 4.30 Disclosure. Neither this Agreement, the other Transaction Documents nor any of the schedules, attachments or exhibits hereto contain any untrue statement of material fact, or omit a material fact necessary to make each statement contained herein or therein, not misleading in light of the circumstances in which they were made. There is no fact that has not been disclosed to Buyer of which the Sellers have Knowledge which has a Material Adverse Effect or could reasonably be anticipated to have a Material Adverse Effect.

ARTICLE V

[INTENTIONALLY OMITTED]

ARTICLE VI

REPRESENTATIONS AND WARRANTIES OF BUYER

As a material inducement to the Sellers to enter into this Agreement, Buyer hereby represents and warrant to the Sellers, as of the date hereof, that:

Section 6.1 Organization and Power. Buyer is duly organized, validly existing and in good standing under the Laws of its jurisdiction of formation. Buyer is not in default under or in violation of any provision of its current organizational documents.

Section 6.2 Authorization of Transaction. Buyer has the full power and authority to execute and deliver this Agreement and each of the Transaction Documents to which they are parties and to consummate the transactions contemplated hereby and thereby. The manager(s) (or equivalent governing body) of Buyer has duly approved this Agreement and all other Transaction Documents to which Buyer is parties and have duly authorized the execution and delivery of this Agreement and all other Transaction Documents to which Buyer is a party and the consummation of the transactions contemplated hereby and thereby. No other proceedings on the part of Buyer is necessary to approve and authorize the execution and delivery of this Agreement or the other Transaction Documents to which Buyer is a party and the consummation of the transactions contemplated hereby and thereby. This Agreement and all other Transaction Documents to which Buyer is a party have been duly executed and delivered by Buyer constitutes the valid and binding agreements of Buyer, enforceable against Buyer in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws relating to creditors' rights generally and to general principles of equity.

Section 6.3 No Conflicts. The execution, delivery and performance of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby by Buyer does not and shall not (a) conflict with or result in any breach of any of the terms, conditions or provisions of, (b) constitute a default under, (c) result in a violation of, (d) give any third party the right to modify, terminate or accelerate or cause the modification, termination or acceleration of, any obligation under, (e) result in the creation of any Lien upon the assets of Buyer, or (f) require any authorization, consent, approval, exemption or other action by or notice or declaration to, or filing with, any court or administrative or other governmental body or agency, under (i) the provisions of the certificate of incorporation, bylaws or the Managing members Agreement, (ii) any contract to which Buyer is bound or by which its assets are affected, (iii) any law, statute, rule or regulation to which Buyer is subject, or (iv) any judgment, order or decree to which Buyer is subject.

Section 6.4 Governmental Authorities and Consents. To its Knowledge, Buyer is not required to submit any notice, report or other filing with any Governmental Authority in connection with the execution or delivery by it of this Agreement and the other Transaction Documents to which they are parties or the consummation of the transactions contemplated hereby or thereby. No consent, approval or authorization of any Governmental Authority is required to be obtained by Buyer in connection with its execution, delivery and performance of this Agreement and the other Transaction Documents to which they are parties or the transactions contemplated hereby or thereby.

Section 6.5 Litigation. There are no actions, suits, proceedings or orders pending or, to Buyer's knowledge, threatened against or affecting Buyer at law or in equity, or before or by any Governmental Authority, which would adversely affect the performance of Buyer under this Agreement and the other Transaction Documents to which Buyer is a party or the consummation of the transactions contemplated hereby or thereby.

Section 6.6 Conduct of Business. Buyer has been formed solely for the purpose of consummating the transactions contemplated by this Agreement and has not engaged in any business activity except as contemplated by this Agreement and the transactions contemplated hereby.

Section 6.7 Brokerage; Transaction Expenses. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement made by or on behalf of Buyer. Except for the breach of the exclusivity provision as described in this Agreement, Buyer shall assume the cost of any fees, costs and expenses including but not limited to legal counsel, investment bankers, brokers or other representatives and consultants incurred by Buyer, and its Affiliates, in connection with the negotiation of this Agreement, each of the other Transaction Documents, and all other actions on behalf of Buyer, its and its Affiliates.

ARTICLE VII

INDEMNIFICATION AND RELATED MATTERS

Section 7.1 Survival; Risk Allocation.

(a) Survival of Representations, Warranties, Covenants and Agreements. All representations, warranties, covenants and agreements set forth in this Agreement, the Transaction Documents or in any writing or certificate delivered in connection with this Agreement or the transactions contemplated by this Agreement shall survive the Closing Date until the applicable statute of limitations.

(b) Risk Allocation. The representations, warranties, covenants and agreements made herein, together with the indemnification provisions herein, are intended among other things to allocate the economic cost and the risks inherent in the transactions contemplated hereby between the Parties and, accordingly, a Party shall be entitled to the indemnification or other remedies provided in this Agreement by reason of any breach of any such representation, warranty, covenant or agreement by another Party notwithstanding whether any employee, representative or agent of the Party seeking to enforce a remedy knew or had reason to know of such breach and regardless of any investigation by such Party.

Section 7.2 Indemnification.

(a) Sellers and Shareholders Indemnification.

(i) Subject to Section 7.1(a) herein, the Shareholders and Sellers shall, jointly and severally, indemnify and defend Buyer, and its respective officers, directors, employees, agents, successors and permitted assigns (collectively, the "Buyer Parties") and hold each of them harmless from and against and pay on behalf of or reimburse such Buyer Parties in respect of any loss, Indebtedness, Liability, demand, claim, action, cause of action, cost, damage, deficiency, Tax, penalty, fine or expense, whether or not arising out of third party claims (including, without limitation, interest, penalties, reasonable attorneys', accountants' and other professionals' fees and expenses, court costs and all amounts paid in investigation, defense or settlement of any of the foregoing) (collectively, "Losses" and individually, a "Loss") which any such Buyer Party may directly suffer, sustain or become subject to, as a result of, in connection with or by virtue of:

(A) any misrepresentation or the breach of any representation or warranty made by the Sellers or the Shareholders contained in this Agreement or any exhibit or schedule hereto or any certificate delivered at the Closing by the

Seller or the Shareholders to Buyer in connection with the transactions contemplated hereby;

(B) the breach of any covenant or agreement made by the Sellers contained in this Agreement or any exhibit or schedule hereto or any certificate delivered at the Closing by the Sellers or Shareholders to Buyer in connection with the transactions contemplated hereby;

(C) any Tax of the Sellers;

(D) any Indebtedness of the Sellers existing as of the Closing which is not fully discharged at Closing; or,

(E) any material noncompliance with any Laws or fraudulent transfer or conveyance law in connection with the transactions contemplated hereby.

(b) Payments. Subject to the other provisions of this Article VII, the Indemnifying Party shall pay the Indemnified Party in immediately available funds promptly after the Indemnified Party provides the Indemnifying Party with written notice of a claim hereunder and the Parties reasonably agree to the cost and the basis for such claim, and the Indemnifying Party agrees that payment of such claim is the proper resolution. Amounts paid to or on behalf of any Party as indemnification shall be treated as adjustments to the Purchase Price, and the Seller may pay any amounts in connection with its indemnification obligations from the Holdback without replenishing such amounts paid with Buyer's written consent. .

(c) Offset. Any Loss which any Buyer Party suffers, sustains or becomes subject to and with respect to which such Buyer Party is entitled to indemnification and defense from the Seller pursuant to this Article VII may, at the option of such Buyer Party, be satisfied (to the extent of such offset) by setting off all or any portion of such Losses against any amounts which such Buyer Party owes to the Seller at such time, including any obligations set forth in the Seller Note.

ARTICLE VIII

ADDITIONAL AGREEMENTS

Section 8.1 Tax Matters.

(a) Certain Taxes and Fees. Sellers and Shareholders, as applicable, shall be responsible for, as and when due, all transfer, documentary, sales, use, stamp, registration and other such Taxes and fees (including any penalties and interest thereon) incurred by reason of the sale to Buyer of the Common Shares. The Sellers and Shareholders shall file all necessary Tax Returns and other documentation with respect to all such transfer, documentary, sales, use, stamp, registration and other such Taxes and fees, and if required by applicable law, any of the other Parties hereto will execute and join in the execution of any such filing.

(b) Cooperation on Tax Matters. The Parties shall cooperate fully, as and to the extent reasonably requested by any other Party, in connection with the filing of Tax Returns, and any audit, litigation or other proceeding with respect to Taxes. Such cooperation shall include the retention and (upon the other Party's request) the provision of records and information for the three (3) fiscal years prior to the Closing Date which are reasonably relevant to any such audit, litigation or other proceeding and making

employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder.

Section 8.2 Press Releases and Announcements. No Party may disclose any of the terms and conditions or the existence of this Agreement to any third party; provided that (i) following the Closing, Buyer may publicly disclose the fact that the transactions contemplated hereby have been consummated, subject to the Representative's prior written consent which consent shall not be unreasonably withheld, delayed or conditioned (but may not disclose any of the terms and conditions, including any of the financial terms, of this Agreement), (ii) any Party may disclose the terms and conditions or the existence of this Agreement to such Party's legal and financial advisors and, in the case of the Seller, to its lenders, so long as such Persons are instructed to hold all such information in confidence, and (iii) any Party may disclose to a third party the terms and conditions or the existence of this Agreement to the extent required to comply with applicable law, in which case such Party shall reasonably cooperate with the other Parties to obtain a protective order or other assurance that any such disclosure shall be treated confidentially by the recipient thereof.

Section 8.3 Further Transfers. Each of the Parties shall execute and deliver such further instruments of conveyance and transfer and take such additional action as any other Party may reasonably request to effect, consummate, confirm or evidence the transactions contemplated hereby.

Section 8.4 Specific Performance. The Parties acknowledge that the Sellers' business is unique, and they recognize and affirm that in the event of a breach of this Agreement by any Person, money damages may be inadequate and the Parties may have no adequate remedy at law. Accordingly, each of the Parties hereto agrees that the Party so seeking shall have the right, in addition to any other rights and remedies existing in its favor, to enforce its rights and such other Party's obligations hereunder not only by an action or actions for damages but also by an action or actions for specific performance, injunctive and/or other equitable relief. If any such action is brought by a Party to enforce this Agreement, each of the other Parties hereto hereby waives the defense that there is an adequate remedy at law.

Section 8.5 Confidentiality.

(a) **Confidentiality.** The Sellers and Shareholders shall treat and hold as confidential any information concerning the business and affairs of the Sellers that are transferred hereby that is not already generally available to the public, including any notes, analyses, compilations, studies, forecasts, interpretations or other documents that are derived from, contain, reflect or are based upon any such information (the "Confidential Information"), refrain from using any of the Confidential Information, and deliver promptly to the Buyer, at the request and option of the Buyer, all tangible embodiments (and all copies) of the Confidential Information which are in such Person's possession or under such Person's control. Notwithstanding the foregoing, Confidential Information shall not include information that is (i) generally available to the public other than as a result of a breach of this Section 8.5(a) or other act or omission of the Sellers or (ii) rightfully received after the Closing Date from a third party not under any obligation of confidentiality with respect to such information, or (iii) in the possession of the Seller prior to negotiating this Agreement with Buyer except as otherwise provided in this Section 8.5(a). If the Sellers are requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, such Person shall notify Buyer promptly of the request or requirement so that Buyer may seek an appropriate protective order or waive compliance with the provisions of this Section 8.5(a). If, in the absence of a protective order or the receipt of a waiver hereunder, the Sellers are, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, such Person may disclose the Confidential Information to the tribunal, provided that such disclosing Person shall use its commercially reasonable efforts to obtain, at the request and expense of the Buyer, an order or other

assurance that confidential treatment shall be accorded to such portion of the Confidential Information required to be disclosed as the Buyer shall designate. For the avoidance of doubt, all information relating to the customers of the Sellers, current or former, active or inactive ("Customer Information"), shall be the exclusive property of Buyer following the Closing and shall be considered Confidential Information hereunder. The Sellers shall not, and shall cause their Affiliates and representatives not to, use any Customer Information for any purpose whatsoever or disclose any Customer Information to any other Person following the Closing Date.

(b) Remedy for Breach. The Sellers and Shareholders acknowledge and agree that in the event of a breach by it (or any of its Affiliates) of any of the provisions of this Section 8.5, monetary damages may not constitute a sufficient remedy. Accordingly, the Sellers and Shareholders agree that Buyer and/or its successors or assigns shall have the right, in addition to any other rights and remedies existing in their favor, to enforce their rights and the Sellers' and Shareholders' obligations under this Section 8.5 not only by an action or actions for damages, but also by an action or actions for specific performance, injunctive and/or other equitable relief in order to enforce or prevent any violations (whether anticipatory, continuing or future) of the provisions of this Section 8.5.

(c) Enforcement. If the final judgment of a court of competent jurisdiction declares that any term or provision of this Section 8.5 is invalid or unenforceable, each Party agrees that the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

(d) Acknowledgment. The Sellers and Shareholders acknowledge and agree that (i) the restrictions contained in this Section 8.5 are reasonable in all respects (including, without limitation, with respect to the subject matter, time period and geographical area) and are necessary to protect Buyer's interest in, and the value of, the Purchased Assets (including, without limitation, the goodwill inherent therein), (ii) the Sellers are primarily responsible for the creation of such value and goodwill as of the Closing Date, and (iii) Buyer would not have consummated the transactions contemplated hereby without the restrictions contained in this Section 8.5.

Section 8.6 Expenses. Except as otherwise specified in this Agreement, all costs and expenses, including, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated by this Agreement shall be borne by the Party incurring such costs and expenses.

Section 8.7 Transitional Assistance. The Sellers and Shareholders shall not take any action which is designed, intended or might reasonably be anticipated to have the effect of discouraging customers, suppliers, vendors, service providers, employees, lessors, licensors and other business relations of the Sellers from maintaining the same business relationships with the Buyer or its Affiliates following the Closing. Without in any way limiting the generality of the foregoing, the Sellers and Shareholders shall not sue or otherwise pursue any claims against any business relation of the Seller and Shareholders with respect to any assets of the Sellers or with respect to any previous contractual relationship between the Sellers, on the one hand, or any customer thereof, on the other hand.

Section 8.8 Payments With Respect to Purchased Assets. The Seller shall promptly remit to Buyer all monies received by the Seller following the Closing Date in payment for any assets acquired by Buyer or in connection with accounts receivables pursuant to this Agreement. Payments remitted to Buyer pursuant to this Section 8.9 shall be in the form received by the Sellers.

Section 8.9 Employee and Related Matters.

(a) Transferred Employees. As of the Closing Date, certain employees of the Sellers who are employed as of the Closing Date shall be offered employment by Buyer (the “Employer”). The foregoing employees who accept employment with the Employer shall be referred to herein as “Transferred Employees.” Nothing in this Agreement shall limit the Employer’s ability to modify the salary or wage level or terminate the employment of any Transferred Employee at any time and for any reason, including without cause, following the Closing Date except as otherwise set forth in the employment agreement of any Transferred Employee. Neither Buyer nor any of their Affiliates shall have any Liability with respect to any former employee or retiree of the Sellers provided the events giving rise to such Liability occurred after the Closing Date. The Sellers shall be solely responsible for the payment of all wages, salaries and other compensation and employee benefits (including, without limitation, any severance pay, notice pay, insurance, supplemental pension, deferred compensation, “stay” or other similar incentive bonuses, change-in-control bonuses (or other bonuses or compensation related in any way to the execution, delivery or performance of this Agreement) to any of the Sellers’ employees, former employees or retirees provided the event giving rise to payment of such compensation or employee benefit occurred prior to the Closing Date or as a result of the transaction contemplated herein. Buyer shall be solely responsible for the payment of all wages, salaries and other compensation and employee benefits (including, without limitation, any severance pay, notice pay, insurance, bonuses and any other benefits, premiums, claims and related costs) to any Transferred Employee relating to or arising out of their employment with Buyer or any of its Affiliates. Neither Buyer nor any of its Affiliates shall assume any Liability with respect to any employee benefit plan of any kind or nature maintained by the Seller for any of their employees, former employees or retirees.

(b) Mutual Cooperation. Subject to applicable Laws (including any privacy laws), the Sellers shall provide promptly to the Employer, at the Employer’s request, any information or copies of personnel records (including addresses, dates of birth, dates of hire and dependent information) relating to the Transferred Employees or relating to the service of Transferred Employees with the Sellers (and predecessors of the Sellers) prior to the Closing Date. The Sellers and the Employer shall each cooperate with the other and shall provide to the other such documentation, information and assistance as is reasonably necessary to effect the provisions of this Section 8.9.

(c) Additional Covenants. The Sellers shall retain all Liabilities in respect of the Benefit Plans, whether incurred on, prior to, or after the Closing Date. No assets or liabilities of any Benefit Plan shall be transferred to Buyer or any of its Affiliates or any employee benefit plan maintained by any of them. All health care and dependent care flexible spending accounts maintained with respect to Transferred Employees under any plan maintained by the Sellers shall be transferred to the Employer if the Employer’s plan permits such transfer. All claims incurred by Transferred Employees or their covered dependents on or prior to the Closing Date under the Benefit Plans shall be covered pursuant to the terms and conditions of the Benefit Plans. For purposes of this Agreement, (i) a claim for health benefits will be deemed to have been incurred on the date on which the related medical service or material was rendered to or received by the individual claiming such benefit, (ii) a claim for sickness, accident or disability benefits based on an injury or illness occurring on or prior to the Closing Date will be deemed to have been incurred prior to the Closing Date and (iii) in the case of any claim for benefits other than sickness, accident or disability benefits (e.g., life insurance benefits), a claim will be deemed to have been incurred upon the occurrence of the event giving rise to such claim.

(d) Notification. Prior to the Closing Date, the Sellers shall notify the Transferred Employees of their obligations to file claims under the Benefit Plans for events that occurred prior to the Closing Date within the period of time provided by such Benefit Plans.

(e) Transitional Employment Agreement of Seller Owner. To ensure a smooth transition, John Schmoker and Buyer shall enter into a mutually agreeable employment agreement prior to closing. Agreement shall keep John eligible for company benefits. Such employment agreement shall last for at least three months after closing, but not more than six months. John shall be paid monthly based on a salary of \$90,000 per annum during this time. John shall be required to work no more than 40 hours per week, and may work less, as mutually agreed with the buyer.

Section 8.10 Trademarks; Tradenames; Domain Names. All trademarks, tradenames, and domain names of Sellers shall be transferred to Buyer as of the Closing.

Section 8.11 Release. Effective upon the Closing, except with respect to a claim (i) arising out of this Agreement or the other Transaction Documents or (ii) for indemnification under the Sellers' organizational documents, so long as such claim for indemnification does not arise out of any matter indemnified under Article VII of this Agreement, the Sellers and their assigns and heirs hereby unconditionally and irrevocably waives, releases and forever discharges each of its past and present directors, officers, employees, agents, predecessors, successors, assigns, equityholders, partners, insurers, and Affiliates from any and all Liabilities of any kind or nature whatsoever, in each case whether absolute or contingent, liquidated or unliquidated, known or unknown, and such shall not seek to recover any amounts in connection therewith or thereunder from the Sellers. Sellers understand that this is a full and final release of all claims, demands, causes of action and Liabilities of any nature whatsoever, whether or not known, suspected or claimed, that could have been asserted in any legal or equitable proceeding against the Sellers, except as expressly set forth in this Section.

Section 8.12 Financial Information. The Sellers shall furnish to Buyer any information or documents requested by Buyer, which is in the Sellers' possession or to which the Sellers have access, constituting, or necessary or desirable for obtaining the consent of the Sellers' independent accountants with respect to the use of their audit reports on the financial statements of the Sellers for periods prior to the Closing Date and shall reasonably cooperate with Buyer in connection therewith.

ARTICLE IX

MISCELLANEOUS

Section 9.1 Amendment and Waiver. This Agreement may be amended and any provision of this Agreement may be waived; provided that any such amendment or waiver shall be binding upon a Party only if such amendment or waiver is set forth in a writing executed by each of Buyer and the Sellers. No course of dealing between or among any persons having any interest in this Agreement shall be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any Party under or by reason of this Agreement.

Section 9.2 Notices. For purposes of the Closing, the delivery of documents by or to the attorneys or other agents or representatives of a Party shall be deemed to constitute delivery by or to that Party. All notices, demands and other communications given or delivered under this Agreement shall be in writing and shall be deemed to have been given when personally delivered, mailed by first class mail, return receipt requested, or delivered by express courier service or telecopied (with hard copy to follow). Notices, demands and communications to the Parties shall, unless another address is specified in writing, be sent to the address or telecopy number indicated below:

Notice to the Buyer, Shareholders' representative and the Sellers:

Notice to the Buyer:
EV Holdings LLC
297 Kingsbury Grade Rd, Suite 208
Stateline, NV 89449
Attn: Xavier Helgesen

Shareholder' representative and the Seller:

4590 Tybo Road
Reno, NV 89521
Attn: John Schmoker

Section 9.3 Binding Agreement; Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns; provided that neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by any Party without the prior written consent of each of the Parties. Notwithstanding the immediately preceding sentence, without the prior written consent of any Party, following the Closing, Buyer may, in its sole discretion, assign, in whole or in part, (a) their rights under this Agreement and the other Transaction Documents for collateral security purposes to any lender providing financing to any of them or any of their Affiliates; and (b) their rights under this Agreement and the other Transaction Documents, in whole or in part, to any subsequent purchaser of any of them or any of their divisions or any portion of their assets (whether such sale is structured as a sale of stock, sale of assets, merger, recapitalization or otherwise). Any attempted assignment in violation of the foregoing shall not be valid or binding upon the remaining Parties.

Section 9.4 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Agreement.

Section 9.5 Construction. The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Person. In addition, each of the Parties acknowledges and agrees that any purchase price adjustments as a result of the application of any provision of this Agreement or any other of the Transaction Documents do not prejudice or limit in any respect whatsoever any Party's rights to indemnification under any other provision of this Agreement or any other Transaction Document, except to the extent that such a recovery would result in a duplication of damages. The word "including" shall mean including without limitation regardless of whether such words are included in some contexts but not others.

Section 9.6 Captions. The captions used in this Agreement are for convenience of reference only and do not constitute a part of this Agreement and shall not be deemed to limit, characterize or in any

way affect any provision of this Agreement, and all provisions of this Agreement shall be enforced and construed as if no caption had been used in this Agreement.

Section 9.7 Entire Agreement. The Schedules identified in this Agreement are incorporated herein by reference. This Agreement and the documents referred to herein contain the entire agreement between the Parties and supersede any prior understandings, agreements or representations by or among the Parties, written or oral, which may have related to the subject matter hereof in any way.

Section 9.8 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument.

Section 9.9 Governing Law. This Agreement shall be governed by the laws of the State of Nevada, and the proper venue for any dispute shall be Washoe County, Nevada.

Section 9.10 Parties in Interest. Nothing in this Agreement, express or implied, is intended to confer on any person other than the Parties and their respective successors and assigns any rights or remedies under or by virtue of this Agreement.

Section 9.11 CONSENT TO JURISDICTION. THE PARTIES AGREE THAT JURISDICTION AND VENUE IN ANY ACTION BROUGHT BY ANY PARTY PURSUANT TO THIS AGREEMENT SHALL PROPERLY AND EXCLUSIVELY LIE IN THE FIRST JUDICIAL DISTRICT COURT IN CARSON CITY, NEVADA. BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY IRREVOCABLY SUBMITS TO THE JURISDICTION OF SUCH COURTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY WITH RESPECT TO SUCH ACTION. THE PARTIES IRREVOCABLY AGREE THAT VENUE WOULD BE PROPER IN SUCH COURT, AND HEREBY WAIVE ANY OBJECTION THAT SUCH COURT IS AN IMPROPER OR INCONVENIENT FORUM FOR THE RESOLUTION OF SUCH ACTION

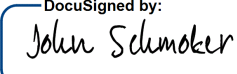
Section 9.12 Delivery by Facsimile or Electronic Mail. This Agreement and any Transaction Document, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or digital imaging and electronic mail, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. At the request of any Party hereto or to any such contract, each other Party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No Party hereto or to any such contract shall raise the use of a facsimile machine or digital imaging and electronic mail to deliver a signature or the fact that any signature or contract was transmitted or communicated through the use of a facsimile machine or digital imaging and electronic mail as a defense to the formation of a contract and each such Party forever waives any such defense.

* * * *

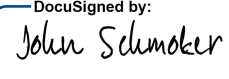
IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement, or has caused this Agreement to be executed by its respective duly authorized representative, all as of the day and year first above written.

SELLERS:

Preferred Networks, Inc.

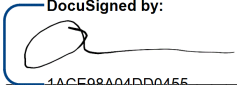
By: 
Name: John Schmoker
Its: President
8/14/2020

Highlands Wireless, Inc.

By: 
Name: John Schmoker
Its: President
8/14/2020

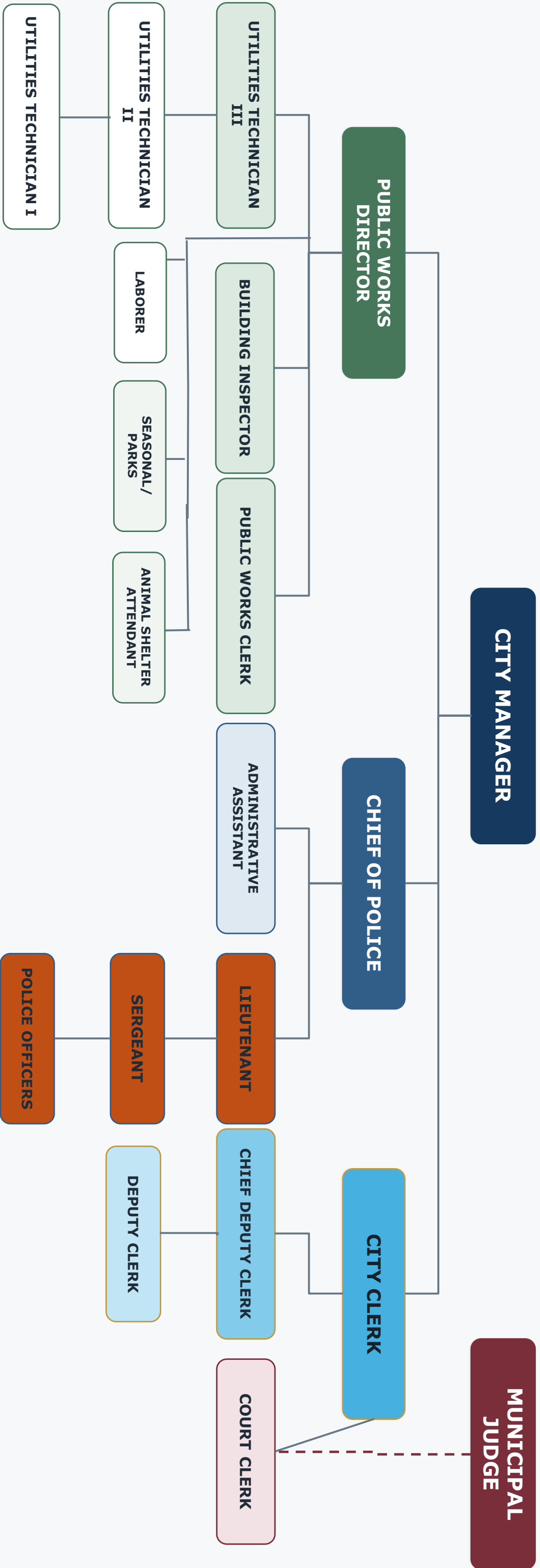
BUYER:

EV Holdings LLC

By: 
Name: Xavier Helgesen
Its: Managing Member
8/13/2020

10

CITY OF YERINGTON ORGANIZATIONAL CHART



Solid lines indicate direct reporting relationships. The Court Clerk reports to both the Municipal Judge and the City Clerk.



CITY OF YERINGTON COMPENSATION & CLASSIFICATION POLICY

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Policy Statement

The purpose of this policy is to establish an equitable, transparent, and competitive Position Classification and Salary Plan for all non-represented and appointed employees of the City of Yerington. It is the policy of the City to maintain position descriptions that accurately reflect current job duties and to set compensation levels that ensure internal equity and external competitiveness within the relevant labor market, subject to municipal budget limitations and standard public fiscal controls.

Nothing in this policy is to supersede policies prescribed in the City of Yerington Personnel Policies. Should any discrepancy exist, the established Personnel Policies will prevail.

Administration of Classification

Position Classification: Every position within the City shall be classified based on duties, responsibilities, minimum qualifications, and complexity. Positions with similar levels of difficulty and responsibility shall be assigned to the same classification and pay range.

1. **Job Descriptions:** The City Clerk (or designated representative) shall maintain official, written job descriptions for each classification.
2. **Reclassification Requests:** Reclassification of an existing position may occur if permanent and substantial changes in duties or responsibilities alter the nature of the work. Reclassifications require review by the City Manager and final approval by the City Council

Salary Plan Structure & Placement

The City Council shall maintain and periodically update an official Salary Schedule establishing minimum and maximum pay range steps for each classification. It is recommended that this be reviewed and established and approved during the annual budget sessions.

Approval of budgeted funds and salary classifications shall satisfy requirements set for in Yerington City Ordinance Title 1, Chapter 6, Section 1(a) as it pertains to appointed officers.

1. New Hires: New employees shall normally be hired at Step 1 of the designated pay range. Hiring above Step 1 requires written justification based on exceptional qualifications or market scarcity, subject to approval by the City Manager within budgeted funds.
2. Promotions: An employee promoted to a higher classification shall receive a salary increase placing them at the step in the new salary range that represents a salary increase over their pre-promotion rate.

Merit Increases and Step Advancement

For a full description of Merit Increases and Advancement policy refer to the City of Yerington Personnel Policies.

Approved step increases will take effect at the beginning of the pay period in which the employee's anniversary date occurs.

Compliance with Collective Bargaining and Enforcement.

For positions subject to a collective bargaining agreement (CBA), the provisions of the ratified CBA shall prevail over conflicting provisions of this policy.

Should any policy or guideline established in this policy be in conflict with Nevada Revised Statutes, provision of the Nevada Revised Statutes will prevail.

The City Manager is charged with establishing operational procedures to enforce this policy. Failure to follow established policies and guidelines may result in administrative disciplinary action up to and including termination, alongside potential criminal penalties under Nevada Law.

City of Yerington Job Classification and Compensation Schedule

Corrected Recommended Version for City Council Review

Proposed Effective Date: October 26, 2026 _____

Last Revised:

Exhibit A Job Classification List

The following classifications and authorized-position counts reflect the City organizational chart and are intended for annual City Council review.

Department	Job Title	Authorized Positions	FLSA Status	Grade	Minimum Base Pay	Maximum Base Pay
Administration	City Manager	1	Exempt*	18	\$112,500	\$153,326
Administration	City Clerk	1	Exempt*	12	\$72,000	\$98,129
Administration	Chief Deputy Clerk	1	Non-Exempt	8	\$26.00/hr	\$35.44/hr
Administration	Deputy Clerk	2	Non-Exempt	3	\$17.75/hr	\$24.19/hr
Municipal Court	Municipal Judge	0	Not Applicable*	CONTRACT	CONTRACT	CONTRACT
Municipal Court	Court Clerk	1	Non-Exempt	5	\$21.50/hr	\$29.30/hr
Police	Chief of Police	1	Exempt*	17	\$95,000	\$129,475
Police	Lieutenant	0	Non-Exempt	SEE CBA	SEE CBA	SEE CBA
Police	Sergeant	1	Non-Exempt	SEE CBA	SEE CBA	SEE CBA
Police	Police Officer	7	Non-Exempt	SEE CBA	SEE CBA	SEE CBA
Police	Administrative Assistant	1	Non-Exempt	5	\$21.50/hr	\$29.30/hr
Public Works	Public Works Director	1	Exempt*	15	\$85,000	\$115,846
Public Works	Public Works Clerk	1	Non-Exempt	3	\$17.75/hr	\$24.19/hr
Public Works	Building Inspector	0	Not Applicable*	CONTRACT	CONTRACT	CONTRACT
Public Works	Utilities Technician III	1	Non-Exempt	8	\$26.00/hr	\$35.44/hr
Public Works	Utilities Technician II	2	Non-Exempt	6	\$23.00/hr	\$31.35/hr
Public Works	Utilities Technician I	1	Non-Exempt	4	\$19.50/hr	\$26.58/hr
Public Works	General Laborer	2	Non-Exempt	3	\$17.75/hr	\$24.19/hr
Public Works	Seasonal and Parks	3	Non-Exempt	1	\$15.00/hr	\$20.44/hr
Public Works	Animal Shelter Attendant	1	Non-Exempt	2	\$16.25/hr	\$22.15/hr

Exhibit B Compensation Schedule by Grade

Grades 1 through 11 are hourly base rates. Grades 12 through 18 are annual base salaries. Each step equals the Grade Step 1 rate multiplied by 1.035 for each successive step and is rounded.

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
1	\$15.00	\$15.53	\$16.07	\$16.63	\$17.21	\$17.82	\$18.44	\$19.08	\$19.75	\$20.44
2	\$16.25	\$16.82	\$17.41	\$18.02	\$18.65	\$19.30	\$19.98	\$20.67	\$21.40	\$22.15
3	\$17.75	\$18.37	\$19.01	\$19.68	\$20.37	\$21.08	\$21.82	\$22.58	\$23.37	\$24.19
4	\$19.50	\$20.18	\$20.89	\$21.62	\$22.38	\$23.16	\$23.97	\$24.81	\$25.68	\$26.58
5	\$21.50	\$22.25	\$23.03	\$23.84	\$24.67	\$25.54	\$26.43	\$27.35	\$28.31	\$29.30
6	\$23.00	\$23.81	\$24.64	\$25.50	\$26.39	\$27.32	\$28.27	\$29.26	\$30.29	\$31.35
7	\$24.50	\$25.36	\$26.25	\$27.16	\$28.11	\$29.10	\$30.12	\$31.17	\$32.26	\$33.39
8	\$26.00	\$26.91	\$27.85	\$28.83	\$29.84	\$30.88	\$31.96	\$33.08	\$34.24	\$35.44
9	\$28.00	\$28.98	\$29.99	\$31.04	\$32.13	\$33.26	\$34.42	\$35.62	\$36.87	\$38.16
10	\$30.50	\$31.57	\$32.67	\$33.82	\$35.00	\$36.22	\$37.49	\$38.80	\$40.16	\$41.57
11	\$33.00	\$34.16	\$35.35	\$36.59	\$37.87	\$39.19	\$40.57	\$41.99	\$43.45	\$44.98
12	\$72,000	\$74,520	\$77,128	\$79,828	\$82,622	\$85,513	\$88,506	\$91,604	\$94,810	\$98,129
13	\$76,000	\$78,660	\$81,413	\$84,263	\$87,212	\$90,264	\$93,423	\$96,693	\$100,077	\$103,580
14	\$80,000	\$82,800	\$85,698	\$88,697	\$91,802	\$95,015	\$98,340	\$101,782	\$105,345	\$109,032
15	\$85,000	\$87,975	\$91,054	\$94,241	\$97,539	\$100,953	\$104,487	\$108,144	\$111,929	\$115,846
16	\$90,000	\$93,150	\$96,410	\$99,785	\$103,277	\$106,892	\$110,633	\$114,505	\$118,513	\$122,661
17	\$95,000	\$98,325	\$101,766	\$105,328	\$109,015	\$112,830	\$116,779	\$120,867	\$125,097	\$129,475
18	\$112,500	\$116,438	\$120,513	\$124,731	\$129,096	\$133,615	\$138,291	\$143,131	\$148,141	\$153,326

Notes:

- Step advancement is not automatic. Any increase remains subject to satisfactory performance, required service, available funding, and adopted City personnel policies.
- No employee may be paid above the assigned range maximum unless the City Council expressly authorizes the exception or reclassifies the position.
- Authorized-position counts reflect the organizational plan and do not independently create budget authority or require every position to be filled.
- Base pay excludes overtime, retirement contributions, insurance, specialty or assignment pay, and other benefits or premiums.
- Several Grades are unutilized, and remain only as an employee-range benchmark if the City later converts or adds positions.
- Every step is calculated for consistent 3.5 percent formula.

11

7.0 LAND USE

7.1 Introduction

The Land Use element is a component of great importance as it directs how future growth and development should occur efficiently and for the benefit of the community. Once a land use plan is adopted, other plans for water, sewer, roads, schools, public facilities, and capital improvements are developed to be consistent with the land use element, ensuring adequate public infrastructure is available, cost effective, all while promoting quality infill development and directing new growth. A land use plan is based upon the economy, population trends, environmental factors, and draws heavily upon community goals and objectives. It sketches a picture of the future based on carefully reasoned understanding of the past and present.

Table 13: City of Yerington Population Growth, 2010-2040

2000	2010	2015	2020	2022	2040*
2,883	3,209	3,021	3,190	3,108	3,424+

Source: U.S. Census Bureau, American Community Survey. "B01003: Total Population" Multiple Years: 2012-2022.

*2000-2020 annual growth per decennial census data was approximately 0.54%; 2022-2040 assumes a similar annual growth rate.

Land use plans are developed to accommodate future growth by identifying a diverse range of development opportunities balanced with the appropriate and complementary city infrastructure, services, and amenities. Utilities must be supplied in sufficient quantity to support each type of land use with separate areas of the city. Sanitation plans are provided to ensure that development does not pollute the environment or jeopardize public health. Schools, medical facilities, parks, and public safety facilities are provided where they will efficiently serve the residents of the city. To bring an effective plan of action to fruition requires not only carefully developed goals and action strategies, but the commitment by the City and its partners to implement them. Over-development, or unplanned rapid development, can overload the City services and infrastructure, thus defeating the purpose of the plan to promote coordinated growth.

The Land Use Chapter identifies projected growth and lists goals and action strategies to ensure the quality of life is maintained for residents through the 20-year planning horizon.

7.1.1 Land Use and Zoning

The master plan contains a Land Use Map (Figure 14) that designates the general category of desired land use for each parcel and area of the city. The City of Yerington contains seven land uses on its map: Low-Density Residential, Medium-Density Residential, High-Density Residential, Transitional, Commercial, Industrial, and Agriculture.

Zoning is a more specific regulatory control that is the most important way that the master plan's desired land use is carried out over years and decades. The City's zoning controls consist of a zoning ordinance and a zoning map that designates the areas of use across the city. The zoning code provides detailed regulations regarding specific uses allowed in each zone and the development standards, such as setbacks, density, and lot sizes for each parcel of land. All rezoning of land must conform to the land use map. For instance, a change from residential to commercial zoning in a residential land use category would be inconsistent with the land use map. A public hearing is required to approve a zone change.

The Land Use Map differs from the Zoning Map in that the Land Use Map is more general and identifies the appropriate location for each generalized land use type. The Zoning Map is more specific, differentiating between types of commercial, residential, open space, and employment land. Yerington's zoning map contains 16 zones that implement the seven land use categories. As such, the Land Use Chapter in the Master Plan indirectly affects development by guiding changes in zoning but does not directly regulate development.

7.2 Current Conditions

7.2.1 Existing Land Use Zones

The Land Use Plan Map includes seven land use categories: High, Medium, and Low Residential; Transitional; Commercial, Industrial, and Agricultural. Table 16 through Table 20 define the 16 zoning designations within each land use category and establish development guidelines for each category identified on the Land Use Map. The tables summarize the primary uses and other uses, residential density. Permitted uses are defined as the principal type of activity allowed within a zoning designation. Special uses are defined as a secondary type of activity allowed within the category and may be considered an ancillary use and/or have additional standards imposed by the Zoning Regulations.

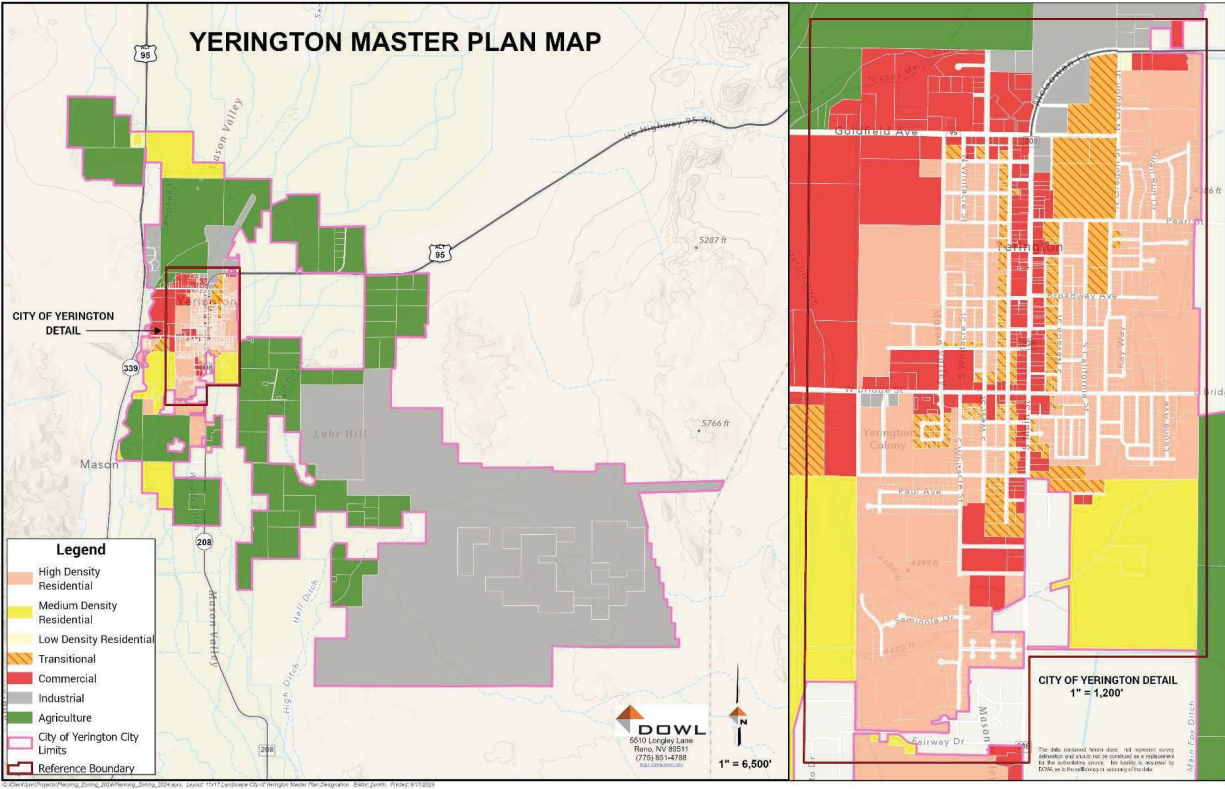


Figure 14: Master Plan Map 2025



Table 14: Summary of High Density Zones and Characteristics

High Density Residential		
Zones	Uses and Density	Description/Characteristics
Single-family residence (R-1)	Permitted Uses: Detached single-family dwellings, accessory uses customary and incidental to the dwelling. Special Uses: Assisted living facility, family daycare, golf courses, residential industry	Seven single-family dwelling units per acre. Typically located in urbanized areas served by municipal utilities and infrastructure. Project designs should consider compatibility with residential development and adjacent uses.
Limited multiple-residence (R-2)	Permitted Uses: Detached single-family dwellings, duplex, accessory structures customary and incidental to the dwelling, home occupations, playgrounds, public parks. Special Uses: Assisted living facility, bed and breakfast, boarding house, churches, family daycare, museums and libraries, private clubs, residential industry.	Seven single-family dwelling units per acre. Provides a mix of housing options including single-family and duplexes. Encourages integration of housing and commercial uses. Typically located in areas within walking distance to services and amenities.
Multiple-residence (R-3)	Permitted Uses: Detached single-family dwellings, multiple-family dwellings, accessory uses customary and incidental to the dwelling, home occupations, playgrounds, public parks. Special Uses: Assisted living facility, bed and breakfast, boarding house, business colleges, childcare centers, churches, family daycare, educational and philanthropic institutions, fraternity and sorority houses, galleries, group home, hotels and motels, lodges, mobile home parks, museums and libraries, private clubs, rest homes, schools.	Seven single-family dwelling units per acre. Intended to provide high-density/multiple-family residential uses adjacent commercial uses. Typically located in areas within walking distance to services and amenities. Encourages integration of housing, commercial, and institutional uses in pedestrian accessible areas.

Table 15: Summary of Medium Density Zones and Characteristics

Medium Density Residential		
Zones	Uses and Density	Description/Characteristics
Single-family residence (R-4)	Permitted Uses: Detached single-family dwellings, accessory uses customary and incidental to the dwelling, home occupations, playgrounds, public parks. Special Uses: Assisted living facility, bed and breakfast, boarding house, business colleges, childcare centers, churches, family daycare, educational and philanthropic institutions, fraternity and sorority houses, galleries, group home, hotels and motels, lodges, mobile home parks, museums and libraries, private clubs, residential industry, rest homes, schools.	Five single-family dwelling units per acre. Primarily single-family homes with 10,000 square feet (sf) lot size. Residences should be buffered to provide privacy to the occupants adjacent commercial or other uses.
Single-family residence (R-5)	Same permitted and special uses as listed in the R-4 zone.	Four single-family dwelling units per acre. Primarily single-family homes with 12,000 square feet lot size.
Single-family residence (R-6)	Same permitted and special uses as listed in the R-4 zone.	Four single-family dwelling units per acre. Primarily single-family homes with 14,000 square feet lot size.

Table 16: Summary of Low Density Zones and Characteristics

Low Density Residential		
Zone	Uses and Density	Description/Characteristics
Single-family residence (R-7)	Same permitted and special uses as listed in the R-4 zone.	Three single-family dwelling units per acre. Primarily single-family homes with 16,000 square feet lot size.
Single-family residence (R-8)	Same permitted and special uses as listed in the R-4 zone.	Two single-family dwelling units per acre. Primarily single-family homes with a half-acre (21,780 square feet) lot size.
Single-family residence (R-9)	Same permitted and special uses as listed in the R-4 zone.	One single-family dwelling unit per acre. Rural residential single-family homes with a one-acre (43,560 square feet) lot size.

Table 17: Summary of Transitional Zones and Characteristics

Transitional		
Zone	Uses and Density	Description/Characteristics
Transitional Use Residence (R-C)	Permitted Uses: All uses permitted in the R-1, R-2, and R-3 districts, home occupations, offices and office buildings, parking lots. Special Uses: Assisted living facility, bed and breakfast, boarding house, business colleges, childcare centers, churches, family daycare, educational and philanthropic institutions, fraternity and sorority houses, galleries, group home, hotels and motels, lodges, mobile home parks, museums and libraries, private clubs, rest homes, schools.	Typically located between high-density residential and commercial uses. Provides a mix of housing options and densities. Encourages integration of housing and commercial product types into a project.

Table 18: Summary of Commercial Zones and Characteristics

Commercial		
Zones	Uses and Density	Description/Characteristics
Limited Commercial (C-1)	Permitted Uses: Uses in residential districts, subject to R-C district provisions. See Yerington Development Ordinance for full list. Special Uses: Amusement arcade, childcare facility, funeral home, hospital, mini-storage units, mobile home parks, recreation vehicle parks, Rest home, veterinarian, warehousing.	Allows limited commercial uses such as offices, services, restaurants, and retail sales. Typically located between general commercial and transitional residential zones. Typically located along major transportation corridors.
General Commercial (C-2)	Permitted Uses: Uses in residential districts, subject to R-C district provisions. Any permitted use in the C-1 district. All C-2 permitted uses (refer to Yerington Development Ordinance for full list). Special Uses: Amusement arcade, auction house/yard, auto body shop, automobile washing establishment, billboards, cabinet or woodworking shop, childcare facility, flea market, light manufacturing, mini storage units, mobile home parks, outdoor theater, recreation vehicle parks.	Allows a greater variety of commercial uses. Typically located along major transportation corridors and downtown main street.
Special Hospital District (H-Z)	Permitted Uses: Uses in residential districts, subject to R-C district provisions. General acute care hospital facility, nursing facility, uses associated with acute care hospital (refer to Yerington Development Ordinance for full list). Special Uses: None anticipated within this zoning.	Intended to accommodate the unique nature and requirements of large scale and significant medical facilities associated with the full-service hospital in a manner compatible with the surrounding land uses.

Table 19: Summary of Industrial Zones and Characteristics

Industrial		
Zones	Uses and Density	Description/Characteristics
Industrial District (M-1)	Permitted Uses: Any uses permitted in the C-2 district, assembly, auto body repair, distributing, dry cleaning, fabrication, manufacturing, processing, rebuilding, repairing, shipping, storage warehousing, trade schools, truck depot. Special Uses: Refer to Yerington Development Ordinance for full list.	Uses are typically light manufacturing and general commercial. Typically located on larger parcels of land near major transportation corridors. Not appropriate adjacent to residential development.
Special Industrial District (M-2)	Permitted Uses: Any use permitted in the M-1 district, aggregate excavation, commercial solar energy conversion systems, energy storage systems, metal ore processing, mine tailings, mine waste rock removal and storage, mined ore and processed ore storage piles, mining, mixing, use and storage of explosives, topsoil salvage and storage, water storage and treatment. Special Uses: Commercial geothermal conversion systems, commercial wind conversion systems, creosote manufacturing, disinfectant manufacturing, explosive, ammunition manufacturing and storage, incineration of animals, garbage, and/or tires for fuel, leather tanning, pesticide manufacturing, quarry, racetrack, rifle range, other uses that may produce excessive noise, gaseous biproducts, etc.	Allows for varied industrial uses, including heavy industrial. Typically located on larger parcels of land near major transportation corridors. Not appropriate adjacent to residential development. Environmentally sensitive areas (steep slopes, floodplains, wetlands) should generally be avoided.

Table 20: Summary of Agricultural Zones and Characteristics

Agriculture		
Zones	Uses and Density	Description/Characteristics
Interim Agriculture (A)	Permitted Uses: Domestic livestock farming, one single-family dwelling, growing and harvesting of shrubs, plants, flowers, trees, fruits, etc. Special Uses: Assisted living facility, churches, farm labor housing, home occupations, parking lots private recreational facilities, public buildings, public/private schools, sale of agricultural products, packing, polishing and the like of unprocessed agricultural yield grown on the premises, nurseries and aviaries, commercial riding academy.	Encourages preservation of agricultural lands on the outskirts of town and protects against premature urban development. Typically does not have access to municipal services but may develop within 20 years.

7.2.2 Zoning Overlays

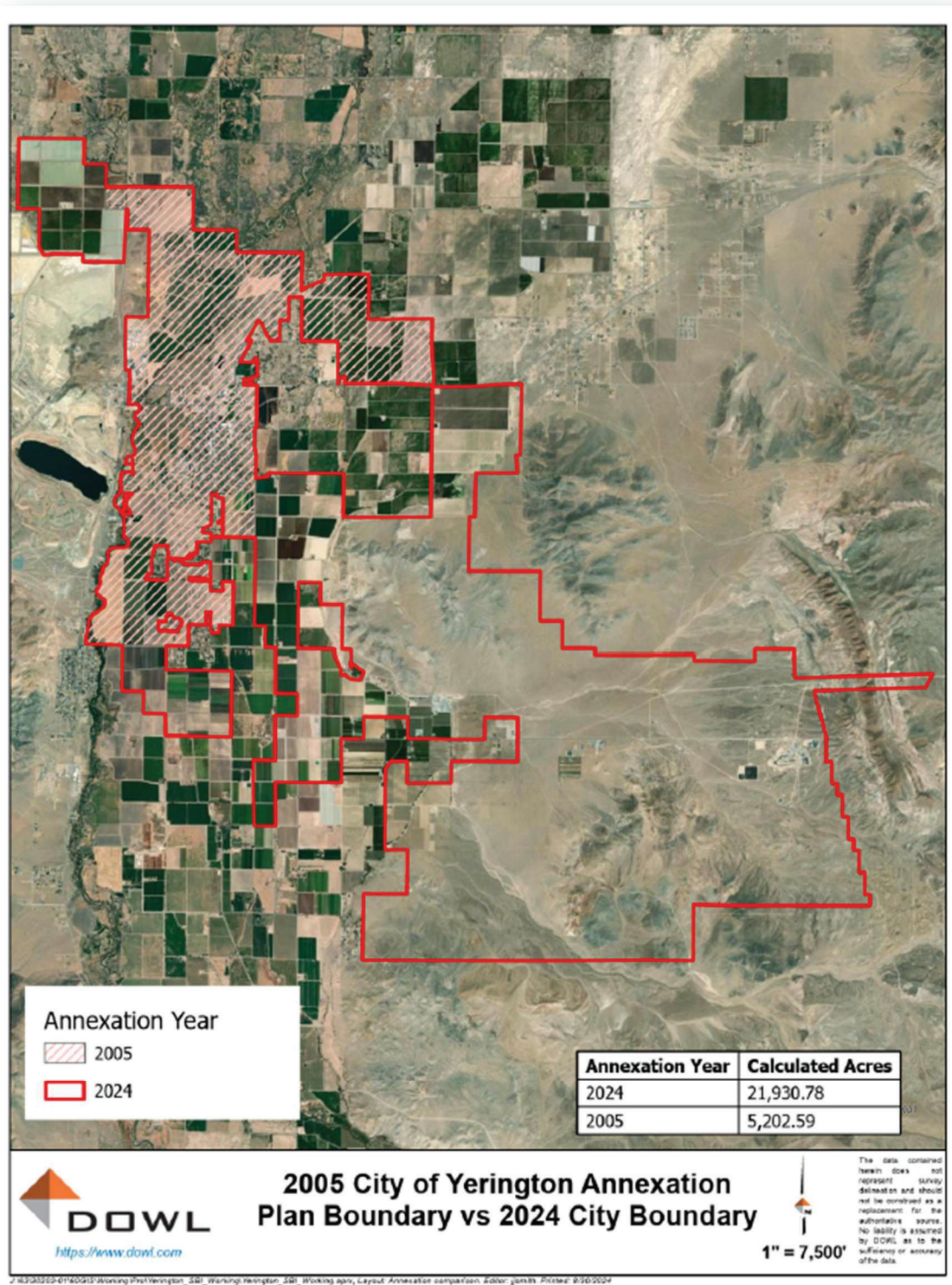
Zoning overlays are development standards in addition to those required by the base zoning designation and are implemented through the City's development ordinance. The outcome of zoning overlays can be to protect life, health and safety in the case of the flood hazard, wildfire hazard, or geologic (steep slope) overlays, protect environmentally sensitive lands, or encourage aesthetic beautification, employment density, mixed use verticality, etc. of an area.

The only overlay the City regulates is Federal Emergency Management Agency (FEMA) flood hazard area overlay, as described in Article 12 of the City's development ordinance. Flood-prone areas present a higher risk to life, health, safety and ensuring new development is constructed in a manner that minimizes its exposure to flooding is essential.

As the city continues to grow, additional overlay designations, particularly those that encourage beautification of Main Street and employment density, could be added in the future.

7.3 Annexation

Since the 2005 master plan, Yerington has annexed 16,728 acres into the City, expanding the City of Yerington's land area from 5,202 acres in 2005 to 21,930 acres in 2024. The Annexation Map below in Figure 15 indicates land annexation up to present day.



Source: DOWL, 2024

Figure 15: City of Yerington Annexation Plan Boundary vs. 2024 City Boundary

Prior annexation activities considered available land within city limits relative to capacity and growth.

Annexation and the extension of services require analysis of population growth, relative to the type and quality of public services and infrastructure available to annexed land. Public services and infrastructure would include education, police and fire protection, and facilities such as solid waste, water, and sewer systems.

7.4 Goals and Action Strategies

Goal 1: Promote renovation and reuse of existing buildings on main street

- 1a) Inventory vacant buildings downtown identified as prime for renovation and reuse.
- 1b) Create building and streetscape design guidelines for the Main Street corridor.
- 1c) Work with the Main Street Committee to support the development of a downtown revitalization plan.
- 1d) Identify public infrastructure improvements in the downtown corridor and prioritize improvements that advance revitalization goals.
- 1e) Collaborate with the Main Street Committee and downtown businesses to facilitate public events and gatherings downtown.
- 1f) Coordinate with the Nevada Department of Transportation (NDOT) to identify a range of acceptable street and streetscape design strategies for Main Street that promote greater compatibility with pedestrian and non-vehicular access.

Goal 2: Promote infill and redevelopment within existing vacant subdivisions

- 2a) Collaborate with owner(s) of vacant sites within the Arrowleaf Subdivision to identify community events and other promotional activities to encourage new residential development and/or adaptive reuse of the open space area within the subdivision.
- 2b) Create and apply minimum residential design standards to promote stick-built home builds on vacant single-family residential lots in the city.

Goal 3: Ensure future land uses are compatible with existing infrastructure

- 3a) Encourage and support master land use plan amendments and zone changes that promote local employment opportunities and/or housing development where existing or planned infrastructure is available.
- 3b) Inventory rural lands within city limits that are served by adequate public infrastructure that could benefit the community through a change to residential, commercial, or industrial zoning.

Goal 4: Promote development of public and civic spaces to revitalize targeted areas

Goal 5: Regulate development in environmentally sensitive areas in order to mitigate drainage, erosion, and siltation problems

- 5a) Require new developments to adhere to state stormwater pollution prevention regulations.

Goal 6: Regulate development in order to protect the vegetation associated with the Walker River State Recreation Area

- 6a) When necessary to protect vegetation along the river, require the following during development review:
 - 6a.1) Adoption of setbacks from the top of the riverbank.
 - 6a.2) Regulation of the removal of trees and other vegetation.
- 6b) When roads must be constructed parallel to the river, they should be built with a wide separation of the road from the river and no home sites placed between the road and the river. The land between the road and the river should remain open space and could include planned trails, and/or bicycle paths.
- 6c) Free movement and access to the river and to vegetation areas should be permitted.

Goal 7: Require that extraction of earth products be performed in a way that is compatible with surrounding land use and minimizes adverse effects on the environment

- 7a) Develop guidelines to provide adequate fencing and landscaping for extraction sites that are visible from non-compatible land use areas.
- 7b) Prohibit or regulate extraction wherever it is determined that there may be significant, unavoidable adverse effects on groundwater quality.

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8.0 PUBLIC SERVICES AND FACILITIES

Public services for the City of Yerington heavily affect the daily activity of those who live within the city. These activities include public safety, in terms of fire and police, water distribution, wastewater treatment, , parks and recreation, schools, and airports.

8.1 FIRE PROTECTION AND EMERGENCY SERVICES

Fire protection for the City of Yerington continues to be provided by contract with the Mason Valley Fire Protection District (MVFPD). While the original contract formula was based on the City's assessed valuation multiplied by the Fire District tax rate, the current arrangement results in a discrepancy: The City tax rate is 0.270%, while the District rate is 0.388%, resulting in a 0.118% funding gap borne by the District.

As of 2024, the City of Yerington accounted for 26% of MVFPD total fire call volume and 50% of emergency medical service (EMS) calls. EMS services are provided through a franchise agreement jointly approved by the City and Lyon County, rather than through a direct contract with the County. EMS is coordinated through Lyon County when incidents exceed local capacity, and the MVFPD is currently developing an Emergency Management Plan for the City.

8.1.1 Physical Facilities and Equipment

The Fire District owns all fire department facilities and equipment, including:

- Fire Station #1 – 118 South Main Street
- Fire Station #2 – 11 Pacific Street
- Fire Station #3 – 215 South Main Street
- Station 2 Annex – 23 Pacific Street
- Station 2 Annex: Training Tower – 23 Pacific Street

The City no longer retains ownership or leases any apparatuses to the District as it once did. The MVFPD fleet of fire and EMS vehicles includes:

Heavy Duty Fire Apparatus

- 2023 Freightliner Engine/Pumper
- 2016 HME Ferrara Type I Engine
- 2013 Ford F-550 Super Duty
- 2012 International 7900
- 2007 Chevy 5500 Rescue
- 2006 International Tender
- 2003 LMTV Heavy Brush
- 2002 International Engine 4 Guys Pumper
- 1999 International 4800 Brush Engine
- 1994 American LaFrance Ladder Truck

Light Duty Fire Apparatus

- 2024 Chevrolet Silverado 2500HD
- 2023 Chevrolet Suburban
- 2019 Chevrolet Tahoe
- 2018 Chevrolet Tahoe
- 2012 Ford F-550 Super Duty
- 2010 Polaris Ranger Off Road Utility

Trailers Supporting Fire Operations

- 2010 Box Trailer - Hazmat
- 2010 Box Trailer - Rescue
- 2009 Iovative Off Road Vehicle Trailer
- 1998 Parker Trailer - Goose Neck

Emergency Service Vehicles

- 2024 Mercedes Sprinter Ambulance
- 2017 Ford F-550 Ambulance
- 2016 Mercedes Sprinter Ambulance
- 2014 Mercedes Sprinter
- 2010 Dodge Sprinter Ambulance

Parade/Legacy Vehicle

- 1926 Federal – Parade Use

Fire apparatuses are adequate to serve the city into the future.

8.1.2 Insurance Rating and Fire Inspection

The District currently maintains an Insurance Service Organization (ISO) Fire Protection Rating of 48 B on a 100-point scale.

Fire inspections and plan reviews are still conducted under contract, with an average of two to three pre-suppression plans completed monthly. These inspections are limited to risks assessment and pre-fire attack. Official fire inspections and plan reviews are conducted for the city by the fire district staff and a contract plans examiner. The District enforces Nevada State Fire Marshal Regulations under its jurisdictional authority through the NRS.

8.1.3 Training

Firefighter training is administered and arranged by the district and volunteer department. Training remains a priority, with three sessions per month and annual certifications in HazMat, Firefighter I and II, Emergency Medical Technician (EMT) Basic and Advanced, CPR, AED, and monthly equipment familiarization. The District is trained to the Operations level for hazardous materials

response and participates in the Quad County Response Group, which includes agencies from Lyon, Carson City, Douglas, and Storey counties.

8.1.4 Hazardous Materials Response

The City of Yerington receives HazMat response through the service contract. Full service, Level A response is provided through the fire district's participation in the Quad County Hazardous Materials Response team. The Quad County Team is composed of fire and rescue agencies within the four county areas, of Lyon, Carson City, Douglas, and Storey counties. The majority of funding for hazardous materials response is provided through state grants.

8.1.5 Personnel and Staffing

The district employs the following personnel: one (1) District Chief; one (1) Assistant Chief; two (2) Administrative Clerks; five (5) Firefighter/EMTs

Additionally, approximately 35 volunteers ranging from Firefighter I to Advanced EMT/Firefighter II. Staffing is provided daily from 8:00 AM to 6:00 PM, with on-call coverage from 6:00 PM to 8:00 AM.

Volunteer personnel are the most important resources available. volunteers are listed on the official roster of the department.

There is no doubt that in the years to come, additional career personnel will be necessary. Despite a very aggressive volunteer recruitment program, the increase in call volume and a change in community demographics will warrant the additional personnel.

8.1.6 Municipal Water System

The municipal water system is in good condition, is generally in good repair and meets fire storage and flow requirements. The system has sufficient production capacity to recover after fire events in the required time frames. Furthermore, the system has redundancy, emergency generators, and a control system with alarms and other automatic features to aid in operation. Several extensive expansion, rehabilitation, and looping projects have been completed over the past several years which have included fire hydrant replacement and further improved fire flow and storage in the core city center area as well as in satellite areas around town. There are additional areas of the central city system that are older and are still awaiting rehabilitation. These sections of the city should be pursued as funds allow. Continual updating of existing fire hydrants is crucial due to continued wear and tear experienced in the area.

The fire district has been able to replace or refurbish much of its older equipment through community development block grant funding, and contract fees from the City, and through its acquisition fund, all to the financial benefit of the customer.

8.2 POLICE SERVICES

Law enforcement for the City of Yerington is provided by the Yerington Police Department, which is responsible for police services within the city limits. In past years, the City's police officers were deputized by Yerington to serve in unincorporated areas near the City. Officers are no longer cross-deputized by the Lyon County Sheriff's Office. However, a mutual aid agreement is currently being developed to allow for cooperative service between jurisdictions.



8.2.1 Personnel

As of July 2025, the Yerington Police Department has the following personnel: one (1) Chief of Police; one (1) Police Sergeant; one (1) K-9 officer and one (1) K-9; one (1) Deputy Clerk/National Crime Information Center (NCIC) staff; and seven (7) patrol officers.

8.2.2 Facilities

The Yerington Police Department currently operates out of a City-owned facility at 227 South Main Street, adjacent to the Lyon County Museum. This building houses the Department's core operational functions, including:

- A public-facing front desk
- Offices for the Chief of Police and Sergeant
- A secure evidence room and separate evidence staging area
- A multi-purpose conference room that serves as a shared workspace for officers, including computer stations for report writing
- An interrogation room
- A records room
- A shared restroom facility

Recognizing the need for expanded and modern facilities, the City is actively pursuing funding to construct a new police headquarters. One potential site under consideration is the city campus at 14 East Goldfield Avenue, where the existing gymnasium may be repurposed for this use. At present, no engineering plans have been developed, and the project is in its initial planning phase. If realized, the new Yerington Police Department headquarters would anchor one end of Nevin Way, with county services positioned at the opposite end, offering more services at this public safety complex.

8.2.3 Equipment

The Police Department is a well-equipped agency that has received numerous state and federal grants to replace older equipment with state-of-the-art gear. Grants need to be continuously pursued for equipment replacement.

The department's vehicles include: nine (9) Chevrolet Tahoe Patrol Vehicles; one (1) Chevrolet Silverado Patrol Vehicle; one OHV; one (1) radar trailer; one (1) Humvee; and two (2) enclosed trailers.

8.2.4 Training

The Yerington Police Department maintains an extensive and ongoing training program for its personnel. In addition to the State of Nevada's minimum Police Officer Standards Training (POST) requirements for all officers, the department provides for additional training as it becomes available from either outside agencies or internal services.

Firearms Training — 12 hours per officer per year

Range Masters — The police department maintains two Range Masters who provide a variety of combat and situational firearms training sessions for the department and outside agencies. Approximately 150 labor-hours are spent per year in preparation, maintenance, and training with firearms.

In-Service Training/Instructors — The police department has four instructors who provide training to members of its department, as well as to outside municipal, county and state agencies that provide 24 hours of scheduled training annually

8.2.5 Community Relations

The Chief of Police handles public communications. The department continues to offer public service programs to schools and community organizations, including seat belt safety, driving under the influence (DUI) awareness; bicycle safety; narcotics education; career fairs; and toy drives.

Approximately 40 hours per year are dedicated to these outreach efforts

8.2.6 Fingerprint/Registrations

The police department holds the responsibility for the issuance of work card registrations to casino/gaming employees; ex-felon and sex offender registrations for those residents living in the City of Yerington; bicycle registrations; solicitor's licenses for door-to-door salespersons; and fingerprinting for the employees of bank workers, day care workers, the school district, casinos, and the general public for employment-related background checks submitted to the Federal Bureau of Investigation.

8.2.7 Police Summary

As the City of Yerington continues to grow in population and business activity, the Police Department remains committed to adapting its services and resources to meet increasing demands and maintain high standards of public safety.

8.3 YERINGTON WATER SYSTEM

The Yerington Municipal Water System has grown over the years to include the Mason Water System, the Willow Creek System, the Crystal Clear System and the Sunset Hills community which have all been annexed into the central city system over the years from 1998 to 2020. The system now covers a service area of approximately 34,600 acres, with approximately 1,800 connections. The City has four active municipal wells, which can produce up to 4,700 gallons per minute. These wells are the, Broadway, California, Mountain View, and Mason Wells. The Rio Vista and Willow Creek wells are not active due to arsenic levels. Mason does not need treatment for arsenic, but the three other active wells are pumped through the City's Arsenic Treatment Plant prior to distribution.

The City has one, two-million gallon and one, one-million-gallon water storage tank serving the central area of the system and the Willowcreek area; one, 280,000-gallon tank serving the Crystal Clear area; one, 280,000-gallon tank serving the Sunset Hills area; and one, one-million-gallon tank serving the Mason area. All of the storage tanks are located on property leased from the Bureau of Land Management. The system also has three primary pump stations: Mason, Crystal Clear, and Sunset Hills.

The system is 100% metered, primarily with touch read devices. Due to technological improvements, the new meter standard for all future developments will be radio-read meters. This will greatly reduce the amount of time needed to read water meters.

8.3.1 Water Resources

Based on a recent water rights inventory, the City of Yerington holds 23 active water rights permits. These permits are granted by the State of Nevada and represent the right to use waters of the state with several limitations and restrictions. One of these restrictions is called a “total combined duty” (TCD). The City has two primary groups of water rights, each with a TCD that limits the maximum water usage under those permits. While the sum of the individual permit duties can exceed the TCD for each group, the TCD is the governing limit. Table 21 summarizes each permit application and their limitations. Permit 54230 is a storage permit for effluent from the wastewater facility and is not included in the TCD allowed for the City. With all combined water rights, the City is allowed to pump 5,773.81 acre-feet annually (AFA).

The City of Yerington has carefully planned for water utilization and there should be sufficient water in the years ahead to accommodate projected growth.

It is important to note that these calculations are based solely on flow volume and do not account for the strength or chemical characteristics of the wastewater. Should the City approve discharges with higher strength or chemical demand, the effective remaining capacity may be reduced accordingly.

Current water pumpage records show that the entire system is using approximately 1,550 AFA or approximately 26% of the total certificated water permitted to the city and the rights transferred to the City from Willowcreek and other annexed areas, leaving 4,223.81 AFA available.

Table 21 includes many acronyms used by the State to classify and describe each water right permit. The status shows whether the permit is certificated (proven to be fully utilized) or only permitted (which means it has yet to be fully utilized). The type refers to allowable use (STO means storage only, QM means Quasi Municipal, or it can be used for municipally related purposes, and MUN means for municipal use). The source description is the facility (usually a well) the water comes from, the flow rate expressed in cfs, and the duty is the total amount allowed to be pumped in a year expressed in AFA.

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