

Letter to ECC for the 6/25/2026 Meeting

From: Marty Westland

To:

Date: Wednesday, June 24, 2026 at 02:43 PM MDT

6/24/2026

To: Ely City Council

From: Marty Westland, Ely Resident

Re.: New Business Items 2, Retroactive Approval; Item 4, Trackage Rights; Item 6, POOL Insurance

Dear Council,

Regarding New Business Item 2.: I disapprove of the practice of approving an action retroactively. In this example, the Mayor is asking for the Council to approve a letter he has already written and sent to a Federal Agency. He has not disclosed that he is an employee of a CRISI grant applicant; nor that he has written on behalf of the City of Ely without Council approval. I must assume that the Mayor has written said letter with the expectation that a reciprocal endorsement will be provided by Lander County to support our CRISI grant application. The relative location of Lander County and White Pine County precludes any mutual benefit. Maybe the Mayor can explain his request

Regarding New Business Item 4.: The trackage involved in this Agreement comprises Ely's most valuable asset. In 2009 the Railroad Enterprise Board prepared a Request for Proposal to solicit bids from potential users of this track. That process was averted by entering a Lease Agreement/Joint Development Agreement with S&S Shortline. But even then, the S&S contract provided for revenue sharing with the City

Under the proposed Agreement with GBNRY, the only source of revenue to the City is income from the assignment of 45G Tax credits - a dubious income that depends on the whims of Congress, and subject to any contest by the IRS, STB, or shippers. And to further insult the City, the Agreement states: "...The City and the Foundation shall each pay one-half of all legal and accounting fees associated in any way with GBNRY' 45G tax credits." Aren't you tiring of paying legal bills for a paper railroad? As Trustees of the Public funds, you owe the citizens of Ely a more thoughtful examination of such a long-term contract, and it should be put out for bids.

Regarding New Business Item 6.: It is my understanding that the Nevada Northern Railway Foundation is insured as a "subentity" of the City of Ely. I cannot understand how that is possible given the current governance structure, and the Foundation's operation behind closed doors. But I can understand the language of the "POOL Property and Casualty Coverage Form" which lists: "F. Perils Excluded, specifically #4 and #5. See the attached page. The hazards of both steam and diesel equipment are excluded by these exclusions. This might be an appropriate time to review the POOL/PACT coverage of our rail operations.

If anyone has questions regarding any of these concerns, please feel free to contact me

Thank you for your consideration.

Sincerely,



Marty Westland

FROM POOL - PACT :

POOL PROPERTY & CASUALTY COVERAGE FORM

NPAIP

20252026

4. Docks, piers, and wharves which are not a structural part of the building.
5. Furs and fur garments, jewels, jewelry, watches, pearls, precious and semi-precious stones, gold, silver, platinum and other precious metals and alloys for loss caused by theft.
6. Money, securities, accounts, bills, tickets, tokens evidences of debt, **Electronic Data Processing Media and Data.**
7. Satellites, property undergoing insulation tests, aircraft, and watercraft over fifty (50) feet in length. For purposes of this exclusion, "aircraft" includes but is not limited to both manned aircraft and unmanned aerial vehicles. "Unmanned aerial vehicle" means an aircraft that is not designed, manufactured or modified to be controlled directly by a person from within or on the aircraft, including drones. This exclusion does not apply to "unmanned aerial vehicles" under 55 pounds in weight as equipped and as per the schedule agreed to and kept on file by POOL.
8. Personal property in the custody of the Assured acting as a warehouseman, bailee for hire, or carrier for hire.

F. Perils Excluded

There shall be no coverage for loss or damage caused by any of the following perils, unless coverage specifically is included in Section V. C. Coverage Extensions, or elsewhere in this Property Coverage Section; however, if loss or damage not excluded results, then that resulting loss or damage is covered.

1. Loss of market; loss of use; damage or deterioration arising from any delay, whether such delay is caused by a covered peril or otherwise; loss caused by any legal proceeding.
2. Misappropriation, conversion, infidelity or any dishonest act; whether committed alone or in collusion with others at any time, on the part of the Assured or any additional interest, employees, directors, officers, or agents of the Assured, or any person to whom the property may be entrusted (bailees for hire excepted). A willful act of destruction committed by employees of the Assured, without the knowledge of the Assured, resulting in physical damage, is covered.
3. Unexplained loss, mysterious disappearance, or loss or shortage disclosed on taking inventory, except that this exclusion will not apply to property while in the custody of any bailee. There will be no coverage for the voluntary parting with title or possession of property if induced by any fraudulent act or by false pretense.
4. Explosion, rupture, bursting, cracking, burning or bulging of steam boilers, steam turbines, gas turbines and steam engines; ~~rupture, bursting, cracking, burning or, bulging of: pressure vessels, or piping or apparatus; attached to any steam boilers, steam turbines, gas turbines and steam engines; while all such property is owned, operated or controlled by the Assured or under the Assured's obligation to cover.~~ This Coverage Form will cover physical loss or damage resulting from: the explosion of accumulated combustible gases or unconsumed fuel within the furnace of a boiler or pressure vessel, other than combustion gas turbines; or within the flues or passages which conduct the gases of combustion therefrom. Loss by fire ensuing from any of the above is covered by this Property Coverage Section.
5. Centrifugal force on rotating or moving parts of machinery; electrical, mechanical, or structural breakdown of machinery or equipment, including moving or stationary parts within or forming an integral part of such machinery or equipment.
6. The lack of power or other incoming service supplied from off the described location, however caused. If physical loss or damage covered herein results to Covered Property at a location described in the Schedule of Locations, the resulting damage is covered.
7. Earthquake as defined in this Property Coverage Section.