

CITY OF ELY

501 Mill Street Ely, Nevada 89301
City Hall (775) 289-2430
Cityofelynv.gov

ELY CITY COUNCIL REGULAR MEETING

January 27, 2022 5:00 p.m. – Ely Volunteer Fire Hall – 499 Mill Street – Ely, Nevada

1. Mayor Robertson called the regular meeting of the Ely City Council to order at 5:00 P.M.; Harry Rhea offered invocation. Mayor Robertson led in the Pledge of Allegiance and asked for Roll Call.

Members present:

Mayor Nathan Robertson
Councilman Kurt Carson
Councilman Ed Spear
Councilman Jim Alworth
Councilwoman Jerri-Lynn Williams-Harper

Members absent:

Councilman Ernie Flangas

City Officials and staff present in the building or via video conference:

City Clerk Jennifer Lee
City Treasurer/HR Director Janette Trask
City Attorney Leo Cahoon
City Public Works Supervisor Mike Cracraft
City Fire Chief Pat Stork
City Engineer B.J. Almberg
City Police Chief Scott Henriod
City Building Official Craig Peterson
City Administrative Assistant Patti Cobb

Also, in attendance: Members of the public in attendance at the Ely Volunteer Fire Hall signed in (appears below) and the following persons attended via video conference: Geri Wopschall, Kay Lynn Roberts-McMurray, Luigi Resta, Mike Cardan, and Caroline McIntosh.

ELY CITY COUNCIL ATTENDANCE LIST

DATE: January 27, 2022

Print name below

Graham DePazee
Gregory Rivera
Kathy Ricci
Bryant Baum
S. Morgan
MICHAEL COUCH
George Chacha

Print name below

2. PUBLIC COMMENT

George Chachas stated ongoing concerns regarding his request for a copy of all parking permits required on Great Basin Boulevard; the parking to his property on 710 Avenue G.; Notices sent to him regarding snow removal and the lack of snow removal on Great Basin Boulevard, East Aultman, and other locations throughout the city; and RV permitting. Mr. Chachas stated on your agenda item C-3 you are to consider the purchase of a new audio/video system for City Council Meetings. The package is way too expensive, and you don't have anyone technically trained to run the system; you can't run the system you have now. The City needs a basic system with an amplifier, speakers, and microphones that cost about \$2,000.00 to \$3,000.00.

Bryant Barnson stated I am here to talk about the lawsuit against Economy Drug. I think we were all blindsided by this and not sure where it comes from. If we let this thing go through it's not right. Economy Drug has done nothing wrong. I am sure you were all blindsided by this as well and not sure if you didn't read the fine print or what happened. This thing needs to go away and if it doesn't, I think there is going to be some lawsuits and we are not going to like what is going to go on. They singled out Economy Drug and nobody else in town. What is this all about? Economy Drug has thousands of dollars in legal fees already stacked up, so they are having to talk to their lawyers about this lawsuit. Somebody is going to pay that in the end, and I am pretty sure it is not going to be Economy Drug. I think you guys need to consider what is going on, figure it out, and make it go away.

3. Mayor – Discussion/For Possible Action – Approval of Agenda, including removal of agenda items.

Councilman Carson moved to approve the agenda as presented. Councilwoman Williams-Harper seconded the motion. The motion carried unanimously.

4. CITY DEPARTMENT REPORTS

➤ POLICE CHIEF

Police Chief Henriod stated we are getting caught up on the quarterly reports and have provided yearly reports.

➤ CITY PUBLIC WORKS SUPERVISOR

City Public Works Supervisor Cracraft stated the compactor was picked up on Tuesday. They will be tearing it apart and at that time will decide if it is fixable or not, and we will go from there. In the last two and a half weeks our water department has had to fix five water main breaks. They were out on Ely Avenue until 5:00 a.m. the other morning fixing a break.

Councilman Alworth stated it has been a long time since we have had sub-zero weather.

City Public Works Supervisor Cracraft stated yes, we got all that moisture, it froze and now its thawing and we are having breaks.

5. REPORTS

There were no reports from the Council Members or Mayor.

8. ITEMS FOR DISCUSSION/POSSIBLE ACTION ONLY OF THE ELY CITY COUNCIL.

A. CONSENT AGENDA

Councilman Alworth disclosed I am a past member of the Ely Volunteer Fire Department and any bills I approve are in the best interest of the citizens.

MOTION: Move to approve the Consent Agenda item 8A-1 Bills.

Moved by: Councilman Alworth Second by: Councilman Spear Vote: Unanimously

1. Discussion/For Possible Action –Bills.

- January 18, 2022

B. OLD BUSINESS

1. Council Members – City Clerk Lee – Discussion/For Possible Action – Approval of Interlocal Agreement between White Pine County and City of Ely for perpetual operation and maintenance of SNPLMA Funded Projects.

City Attorney Cahoon stated I request for this item to be tabled at this time due to recent developments.

Councilman Carson moved to table the approval of the Interlocal Agreement between White Pine County and City of Ely for perpetual operation and maintenance of SNPLMA Funded Projects. Councilman Alworth seconded the motion. The motion carried unanimously.

C. NEW BUSINESS

1. Mayor Robertson – Discussion Only – Discussion regarding Nevada League of Cities One Nevada Plan and proposed annual dues increase.

Mayor Robertson stated I would like to caution the Council that at this time everything in this State is called the One Nevada Plan, so please be cognizant of that as we read through this material. City Clerk Lee and I had a conversation with Wesley Harper about their proposal. They are adding a bump in dues to do a number of things they have added in their strategic plan. There will be an executive board meeting on January 31st and following that he is going to try and make the rounds to talk with each city council. I wanted to get feedback from those in the room before I meet with them on the 31st.

Councilman Spear stated as you look through this information, they are wanting an \$8,000.00 increase in the base of dues, but there will be no dues increase to Henderson, Reno, or Sparks. Right now, it is based on population. Reno has a population of 246,500 and per capita that makes it .167 which is almost seventeen cents a resident. Henderson has a population of 337,610 and it is costing them .168 which is almost seventeen cents a resident. The increase for the City of Ely is \$2.44 per person. I have been a strong advocate for the Nevada league of Cities since the first time I served on this Council. \$206,000.00 in additional increases and the biggest parts of the state getting hardly any of that increase is wrong. I know we need to be a member of organizations, but that is a four hundred percent increase.

Councilman Alworth stated I agree with Councilman Spear. I question the breakdown of what the increase is for stating one of the employee salaries is for lobbying and we are past lobbying season. If we are going to go with an increase that great, I would like to see some proof in the pudding. I think a four hundred and two percent increase is a little outlandish.

Mayor Robertson stated I would like to remind the Council this is a draft and if you have questions, please feel free to reach out to Wesley Harper. He is very accessible, and you can share your thoughts with him. I think those are all germane to the discussion at hand and fair points.

2. Council Members – City Clerk Lee – Commnet NV LLC Representatives – Discussion Only – Update from Commnet NV LLC regarding their Connect America Fund (CAF II), plans in the City of Ely, including but not limited to projects serving City of Ely Facilities.

Commnet NV LLC Director Jo-Jo Meyers-Campos stated I am going to skip through about two-thirds of the presentation. You all have a copy of the presentation and if there are questions, I encourage the Council to reach out to me. I would like to start with the following slide.

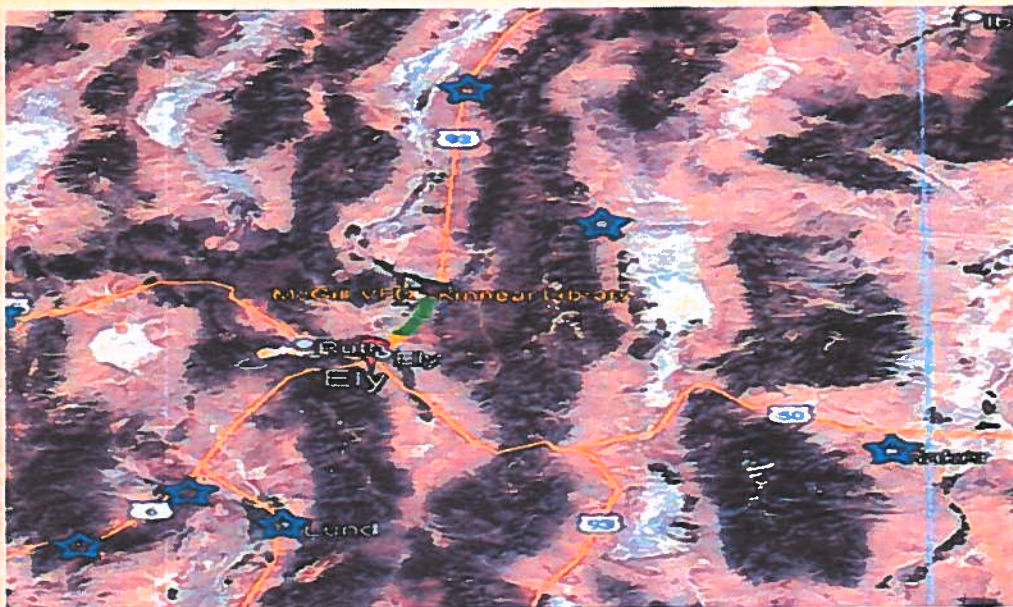


NEVADA INVESTMENTS

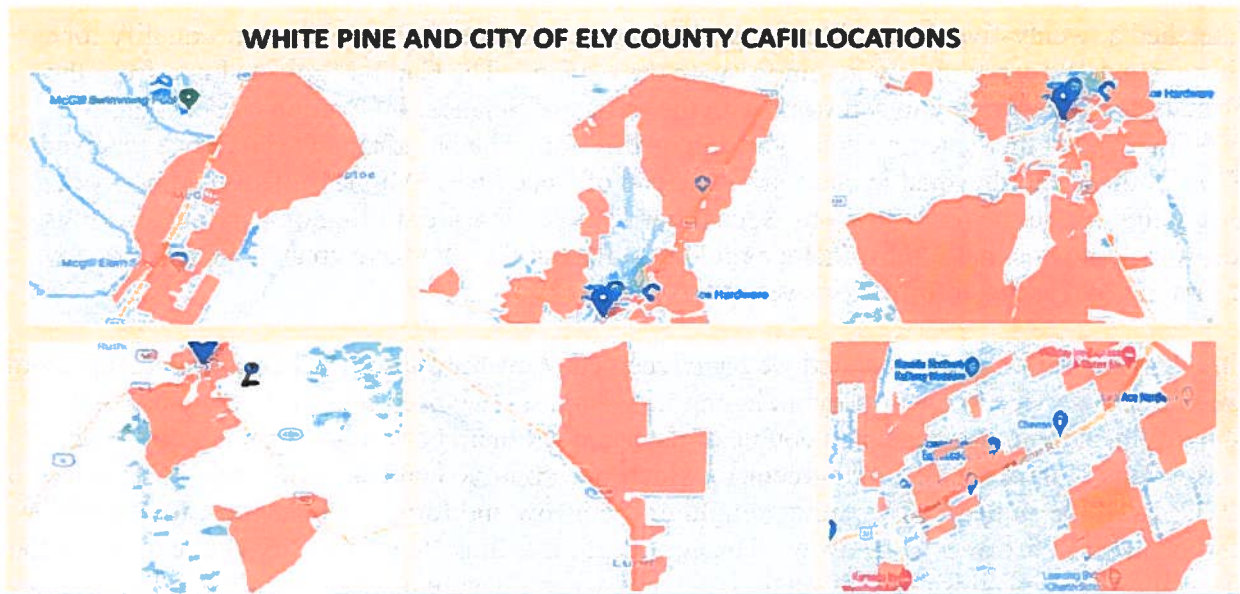
- **FIRSTNET**
- **CAFII**
- **CARES/AMERICAN RESCUE PLAN**
- **PARTNERSHIPS**
- **FEDERAL FUNDING OPPORTUNITIES**

Commnet NV LLC Director Jo-Jo Meyers-Campos stated this is what is going to concern most of you and benefit the City of Ely. Firstnet is the contract that was awarded to AT&T for first responders.

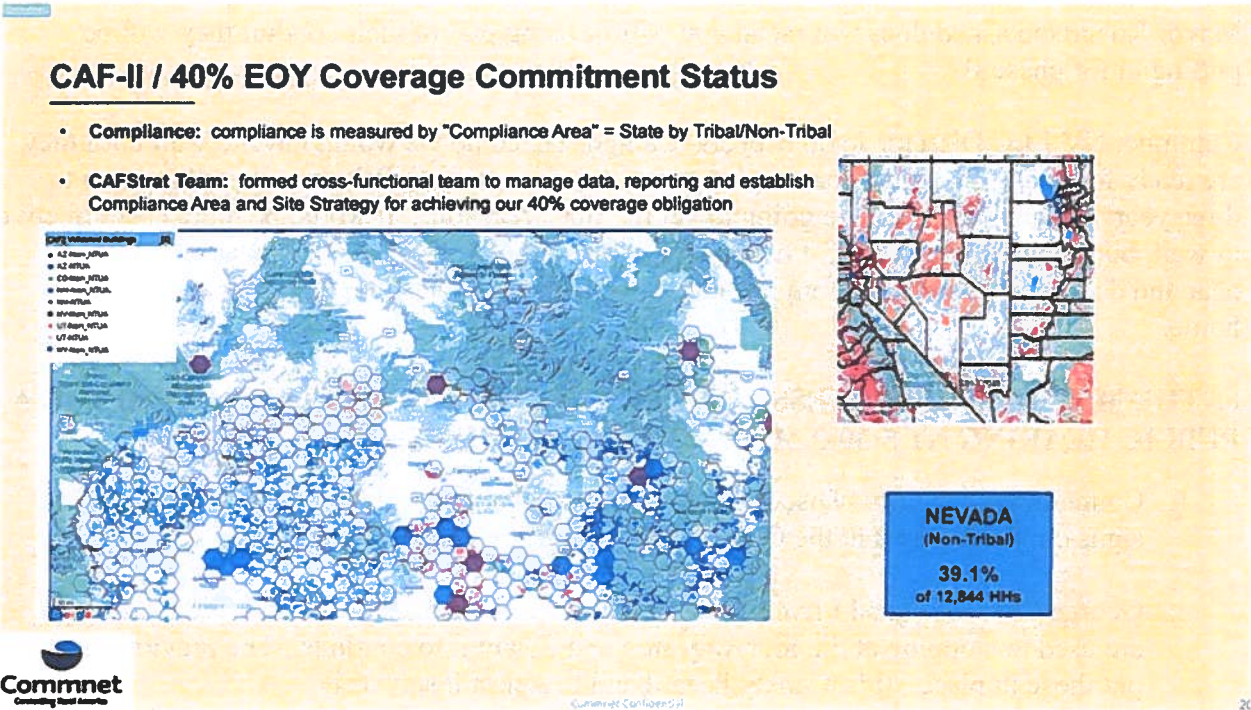
BUILD AND OPERATE FIRSTNET SITES



Commnet has the Build and Operate Contract for the entire state of Nevada for AT&T. Every time we build one of these Firstnet sites, as shown above by the blue stars, we have access to the site. If the site is 100% for safety or for Firstnet then we cannot use it, but there are very few in the State we can't use. Everywhere you see a star will be a carrier of additional equipment. We are trying to close the gap on cell services used in the area. There will be a site located directly in Baker and Lund as we have worked directly with Verizon and T-Mobile. T-Mobile as a carrier opportunity will be able to hang equipment on all these sites. Hopefully once all these sites get built it won't matter if you have T-Mobile, Verizon, or AT&T as the mobile experience is going to be a lot better. We have already reached our halfway point and we must have all these sites in the State built by the end of 2024. This will benefit you greatly when all of these are built.



This slide shows the CAF areas in White Pine County. There are not a lot of direct CAF areas in the City of Ely. CAF actually awards to rural remote areas, and you can see that in the tan areas such as McGill. CAF is Connect America Funding, and this is the second round of the Connect America II Funding. What I like about this CAF II is it is not drawn out for ten years. Our payment is drawn out for ten years and we do not get one lump sum. We will actually be getting a monthly payment over a ten-year period, and we have to have all of our CAF work done within six years. At the end of March, we need to be at our forty percent mark, and all of this is assumptive of the entire State. We won 12, 844 households in the entire state so the forty percent of CAF is not just per county, it is per state. We are at 39.1% of all our CAF commitments right now. Our next area we will be hitting is Grass Valley which will bring us to our forty percent by March 31st. The next goal is going to be sixty percent within the State. We have six years to get things built and we will.



The slide above shows census blocks, and all the census blocks show 1, 375 households including the City of Ely and White Pine County. We want \$1.5 million and after we scrub these two lists, we will not have fourteen hundred. In these census blocks we are going to find buildings, land, barns, outbuildings, and possibly boulders if they are big enough. We are still going to be close to the 1, 375 households, but to hit all of these it is going to take more than \$1.5 million; that is the money that comes out of our pocket, and we will have to pay it up front as we cannot wait for ten years. We have to put up the money and then be reimbursed, that is how CAF Funding works. Once we have an Ely phase II most of these in town areas will be taken care of at the same time. We have gone out for a National Telecommunications and Information Administration (NTIA) grant with the County for McGill and hopeful it will be awarded. I wish we could get some of these grants for the City of Ely, but you don't qualify for the USDA or the NTIA because you are considered too connected in town. We have since

launched a twenty-five down, three up packages from Choice so you really don't qualify for those which we can typically go out for with the County. The Capital Projects Fund from the State is coming up and you can work with the Office of Science, Innovation & Technology (OSIT) to see if there are any areas you can qualify for. The broadband OSIT Office received \$135 million, and they had to claim it by the end of December. All the projects and network designing need to be ready to go by September 1, 2022. We are waiting on parameters; all we know right now is that it must include middle and last mile. We have created a CAF Strategy Team to go over this information every week.

Greg Rivero with Commnet stated we have received plans for phase II which is connecting from the distance service to the armory including City Hall. I have been reviewing the plans and should finish them up in the next couple of days and get them back to the engineer for minor corrections. I have a franchise agreement which was approved and signed by you on January 10, 2022; it will be signed by Commnet tonight or tomorrow and forwarded back to City Clerk Lee and be in place for work right away. The equipment is in Las Vegas for City Hall except for the firewall. The firewall is a supply chain issue, and we are unsure of when it will be here. We have a master agreement with Mt. Wheeler Power to attach to their poles throughout the County, but on phase II we will have to get an agreement on each individual pole along the route.

Mayor Robertson asked is that for hanging fiber on the poles?

Greg Rivero with Commnet stated yes. Any underground fiber will have to go through the permitting process and approved by the City Engineer.

Commnet NV LLC Director Jo-Jo Meyers-Campos stated NDOT has asked us to work with their engineering team to approve our plans to make sure we are not messing up anything that has to do with their phase II in the next two to three years. When they start if there is anything in their way, they can legally ask us to remove some of our infrastructure. We want to make sure that we are in complying with them and not have to remove anything.

Mayor Robertson asked does that mean you will be using part of their conduit they will be putting in for phase II?

Commnet NV LLC Director Jo-Jo Meyers-Campos stated no we would have to wait until they are ready for phase II. I have contemplated that, but according to B.J. they are talking two to three years which means you are going to get the fiber year four. It would be more cost effective to wait, but I don't want to wait. I have worked with all of you for over five years and this is near and dear to my heart, and I am proud to be a member of the team that is going to bring it home.

6. THE MAYOR WILL RECESS THE REGULAR CITY COUNCIL MEETING FOR A PUBLIC HEARING AT 5:30 P.M. ON THE FOLLOWING TOPICS.

1. Councilman Alworth – Discussion Only– Approval to remove East/West facing STOP signs on North Street at the Ogden and North Street intersection.

George Chachas stated I live in that area and those two roads are heavily used. People are used to stopping at the four-way stop and I want it to continue. The previous Council put those in place. It is a safety hazard and I request it stay as is.

7. DISCUSSION/POSSIBLE ACTION ITEMS PERTAINING TO THE PUBLIC HEARING.

1. Councilman Alworth – Discussion/For Possible Action – Approval to remove East/West facing STOP signs on North Street at the Ogden and North Street intersection.

Councilman Carson stated I think it is an awkward four-way stop and people creep out into the intersection to see who is going to stop. I would move to approve.

City Engineer Almberg stated I don't see it on the agenda, but one recommendation was to place a sign stating, cross traffic does not stop.

Councilman Alworth stated the only comment I have for that is a STOP sign is for that; to stop and look. You don't need these signs before STOP signs, or we would have them all over town. We are all adults and I think it is childish to place signs warning people to stop.

Councilman Spear stated you can't see the STOP sign when you are going east anyway due to a tree blocking it and people run it already. I have seen a sign stating cross traffic does not stop on 9th Street, so I am ok with putting a sign to warn people of cross traffic if we need to put it up.

Councilman Carson moved to remove East/West facing STOP signs on North Street at the Ogden and North Street intersection. Councilman Alworth seconded the motion. The motion carried unanimously.

C. NEW BUSINESS CONTINUED

3. Council Members – City Treasurer Trask – Discussion/For Possible Action – Approve Budget Committee's recommendation of American Rescue Plan expenditures, to include, modify or exclude the following:
 - Ford AV Sound System upgrade, includes removable four (4) 2-way speakers, one (1) 65" flat panel with mobile cart and installation/training/warranty in the amount of \$32,072.08; a preventive maintenance contract can be added for \$2,379.00
 - Ten AED's - four without cabinets for City of Ely Fire Department vehicles and six with cabinets, one (1) for each City of Ely facility in the amount of \$20,504.00

City Clerk Lee stated for the record I did receive a text from Kay Roberts-McMurray "the audio sounds mumbled for some reason."

Mayor Robertson stated we will take these two items as separate motions.

Councilman Carson stated at this time I don't think we have the internet to support this. I know at the Tourism and Recreation Board Meetings they have the big screen and equipment, and it is always freezing up. I think we need to have better internet in place before we look at more expensive options.

Councilman Alworth stated I agree with Councilman Carson. We need good sound, but I think we are jumping the gun and we just need to wait. Once we get the fiber in place it will be better for everybody. I think it is more important that people hear us than see us. The expense that goes along with the T.V. and so forth is astronomical. I want to make a disclosure that I am a past member of the City Volunteer Fire Department. I don't think the City has the right to come into this club house and make changes to it and disrupt this building. The Council knows the Volunteers were treated terribly by previous councils and they booted them out. We have a good deal here and I don't know if the Chief met with the Volunteers at all on this. When I talked with Public Works Supervisor Cracraft he stated the speakers we have are sixteen years old and things need to be replaced into the modern era. I talked with the Treasurer, and she said we could probably put it into the budget to get new speakers. The people calling in have a legitimate reason to squawk if they can't hear us. In the quote they openly admit the first sound system we got was terrible. If they didn't do it right the first try, what makes us think they are going to get it right the second time. I personally think we are a small city with a small budget, and we do our best to spend our money right for the taxpayers.

City Clerk Lee stated for the record what I thought I would do is email out the audio from using the Owl tonight and the audio from January 13th with equipment we currently own for comparison.

Mayor Robertson stated I like that idea. One of my concerns is we need microphones for every person that is going to be heard at the table. Anytime someone leans back or moves away from the microphone it is hard to hear and people having to share microphones becomes cumbersome. I agree with Councilman Alworth that sound is more critical than the visual. However, having visual for some of these presentations like we have had tonight, and are getting more and more of, would probably be more

important than seeing who is on Zoom or whatever else we would use that for. I think this could be honed some. I think we are a ways out on our equipment and fiber optics and the sooner we decide what we want and get it ordered, we are still looking at least a twelve week wait.

Ford AV Account Manager Graham De Partee stated it is approximately fourteen to sixteen weeks as of yesterday morning for AV labor and the average equipment lead time when it is coming from a manufacturer is anywhere from two and a half month to a year plus. We have received notification from some manufacturers that they are no longer shipping some items this year.

Councilwoman Williams-Harper stated I agree the sound is more important. With what we are using tonight people can see us and we can't see them and that doesn't seem to be an issue. I also agree if there are too many people on you cannot hear well and the internet is not what we need it to be to spend that kind of money.

Mayor Robertson stated the justification for using the American Rescue Plan Act (ARPA) Funding for this is if we are forced under quarantine positions again like we were doing a couple years ago, and our entire meeting was on Zoom, to have the equipment to do it in a better fashion. It would certainly be justification for using ARPA money to make sure we are ready for the next time if it comes to that.

Councilman Spear asked I don't see anywhere we have discussed or negotiated this with the Volunteer Firemen.

City Clerk Lee stated the Volunteer Firemen did vote on this during their December meeting and they approved the City doing this or it wouldn't be on the agenda.

Councilman Spear stated this is expensive equipment and if the Volunteers have a party in here and something gets damaged who is responsible for that?

Councilman Alworth disclosed I am a past member of the Volunteer Fire Department, and I no longer attend the meetings, but were they given drawings like I got yesterday?

City Clerk Lee stated they received the whole proposal with schematics of where the speakers will be placed. I believe I sent them everything but will double check.

Councilman Alworth stated I am not so worried about the speakers because they are going up in the walls, but the control module is going to go right where the fire extinguisher is. My concern is, did they get this contract because it is not for public information. I am not doubting your work, but in this it talks about damages, and we are firemen who have parties and if it gets bumped or we have kids in here. Kids are going to be rambunctious and if they spill something in there who is responsible? I have seen a lot of things happen in this hall over the years and that is expensive equipment to have something happen to.

Mayor Robertson asked what kind of box is it in?

Ford AV Account Manager Graham De Partee stated it is a locked mobile rack with casters. The idea is to put it on the sidewall and use existing outlets. If there was a big event that it was not being used for it could be disconnected and rolled out of the room.

Mayor Robertson stated you say it is locked; how secure is it if someone sets a drink on it and it gets knocked over?

Ford AV Account Manager Graham De Partee stated it is not waterproof. I would also like to make a comment regarding the internet. Not to shoot myself in the foot, but I whole heartedly agree with the Council that the internet is a concern. If this was a million-dollar system with all the best technology, it would still be dependent on the speed of internet which is a critical factor.

Mayor Robertson stated if it is fourteen to sixteen weeks out to get the equipment, what is the timeline of our internet being upgraded that the Council has already approved? City Clerk Lee stated I emailed Jo-Jo Campos-Meyers and several people with Commnet this afternoon again after meeting with them last Thursday and they couldn't give me a date. She outlined what she said tonight in that the equipment is in Las Vegas except for the firewall and because the firewall is not there they will not commit to an estimated time of completion of the system.

Councilman Alworth asked can we get a quote for just sound?

Ford AV Account Manager Graham De Partee stated I can make any changes the Council requests. We could remove the screen and it could include just sound with the existing microphones you have and replacing the speakers would be an improvement. The proposal will still seem very costly because you are at a location disadvantage, and it is not easy to get a team out here to install. Regardless of the size of the project, we will always have our installation team, engineer to test the system to make sure it is working as it should, and then have someone that will train you on how to properly use the system.

Mayor Robertson stated it is at the pleasure of the Council, but my personal recommendation would be to have some fixed speakers and more microphones.

Councilman Carson moved to get a quote from AV Ford on sound only and additional microphones for a total of twelve. Councilman Alworth seconded the motion. The motion carried unanimously.

- Ten AED's - four without cabinets for City of Ely Fire Department vehicles and six with cabinets, one (1) for each City of Ely facility in the amount of \$20,504.00

Councilman Alworth stated I would like to disclose I am a past member of the Volunteer Fire Department and my decision in this vote is for the betterment of the citizens.

Councilman Carson moved to approve the purchase of ten AEDs for each City of Ely facility in the amount of \$20,504.00. Councilman Spear seconded the motion. The motion carried unanimously.

4. Council Members – City Attorney Cahoon – Discussion/For Possible Action – Approval for the City of Ely to execute a “Settlement Participation Form” (Exhibit B) and a "Subdivision Settlement Participation Form" (Exhibit K), each containing releases, pursuant to the One Nevada Agreement on Allocation of Opioid Recoveries ("One Nevada Agreement") previously agreed upon (by City of Ely in August 2021) for participation in settlements with 1) the State of Nevada and three (3) of the opioids distributor defendants (AmerisourceBergen Drug Corporation, Cardinal Health, and McKesson, as listed in Exhibit C to the One Nevada Agreement) and, 2) the State of Nevada and one (1) opioid manufacturer defendant (Janssen/Johnson & Johnson, as listed in Exhibit C to the One Nevada Agreement); and, Execution of an "Amendment No. 1 to One Nevada Agreement on Allocation of Opioid Recoveries" regarding a reduction in attorney's fees to the One Nevada Agreement for purposes of these two (2) settlements only.

City Attorney Cahoon stated I would recommend the Council table this item as there are documents that just made it to my office and did not make it on the agenda. The deadline is March 4, 2022, so we have time to put it on a future agenda.

Councilman Carson stated we have talked about having Economy Drug's name taken off the lawsuit. Can you inform us of that process?

City Attorney Cahoon stated there is currently a stay in the courts on the litigation so nothing can be done at this time.

Councilman Spear moved to table the approval for the City of Ely to execute a “Settlement Participation Form” (Exhibit B) and a "Subdivision Settlement Participation

Form" (Exhibit K), each containing releases, pursuant to the One Nevada Agreement on Allocation of Opioid Recoveries ("One Nevada Agreement") previously agreed upon (by City of Ely in August 2021) for participation in settlements with 1) the State of Nevada and three (3) of the opioids distributor defendants (AmerisourceBergen Drug Corporation, Cardinal Health, and McKesson, as listed in Exhibit C to the One Nevada Agreement) and, 2) the State of Nevada and one (1) opioid manufacturer defendant (Janssen/Johnson & Johnson, as listed in Exhibit C to the One Nevada Agreement); and, Execution of an "Amendment No. 1 to One Nevada Agreement on Allocation of Opioid Recoveries" regarding a reduction in attorney's fees to the One Nevada Agreement for purposes of these two (2) settlements only. Councilman Alworth seconded the motion. The motion carried unanimously.

4. CITY DEPARTMENT REPORTS CONTINUED

➤ CITY FIRE CHIEF

Councilman Alworth stated I spoke with you on the resolution the County had for \$10,425.00 for the RIMS; did they discuss that at their meeting?

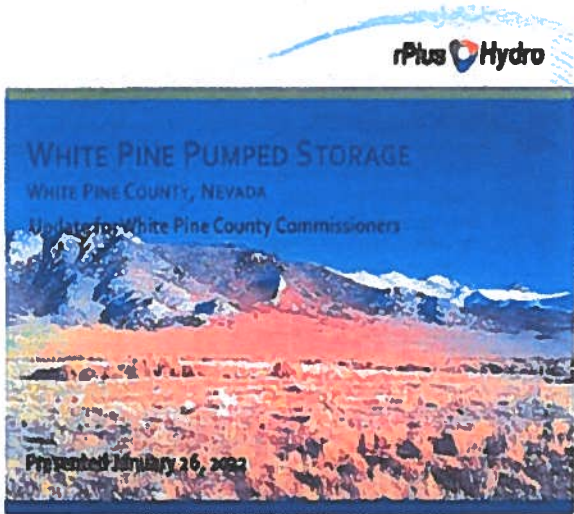
City Fire Chief Stork stated I was at the meeting and the way I understand it is they set up a line item, so they had somewhere for the American Rescue Plan Act Funding to go. Since then, I have gotten more information regarding the annual maintenance, and it will be about \$1,000.00 a year going forward. I am going to review that with Janette as I think it would be good for the future and beneficial to the department, but nothing has been signed or agreed upon at this time. I also want to mention the AEDs that were approved to purchase with the American Rescue Plan Act Funding might be cheaper than originally quoted as we have a direct account with Zoll.

9. PUBLIC COMMENT

George Chachas stated ongoing concerns with the grade of curb and gutter at 488 Stevens Avenue; his request for a list of those required to sign a document requiring them to install curb and gutter around their new homes or they would not receive a certificate of occupancy; the billing for his property on 490 High Street; if City staff are bonded; if the recent audit addressed the City ever collecting in full for water, sewer and landfill services from the Historical Railroad when they owned the White Pine Trailer Park, Garnet Mercantile, and the Golf Course; the revitalization of Broadbent Park not including the metal bleachers and if those will be used at another location; and the Nevada Department of Transportation (NDOT) erecting a fence around the creek in central Ely using barbed wire, which is in violation of City Code.

Jim Alworth stated I am talking as a private citizen. I have had it with Mr. Chachas standing up here coughing through a mask and not knowing if it is covering him. I am going to request that the doctors check this guy out as he is in here coughing all over the place. He needs a face shield, and we need to sanitize the podium when he is done. He was at the Commission meeting and told them it was a cold, he told us it was allergies, and I asked him this morning at RTC if he had a cold or allergies and he told me to never mind. It is a health hazard to have him up here coughing all over all of us; something has to be done.

rPlus Energies and rPlus Hydro President Luigi Resta stated I was on the agenda with the County Commission yesterday and gave them a formal update on the status of the project. I apologize I was not able to get on the agenda with the City Council. I do have Michael Couch, who is doing some work for us, in attendance there and has handouts for the Council and to be on public record. In general, the project update since we last met with the City Council is we were able to complete the bore hole and Geotech work at bore hole two which is halfway up the mountain; we got down to about 1,600 feet with a lateral drill. We did also determine the ownership of the right of ways so for this year our goal is to complete the Geotech exploration work at bore hole number one and three. We are also working on the draft license agreement that will be submitted to the Federal Energy Regulatory Commission, which is about a twelve-hundred-page document and will be ready to be submitted in February, once that happens there will be a stakeholder public comment period. The stakeholders are listed on slide three of the following document with all the public agencies that will be involved in the review of the project. Slow and steady progress is what we have been doing and our goal is to have a good collaborative relationship and engagement with the City, Railroad, and County. I appreciate your time on this matter and thank you for allowing me to speak. White Pine Pumped Storage January 26, 2022 update on the following pages.



Progress Highlights: Past Six Months

- In the second half of 2021, the White Pine Pumped Storage project made substantial progress in:
- Engineering studies
 - Geotechnical investigation
 - Water sourcing studies and applications
 - Environmental resource studies
 - Cultural assessments
 - Preparation for FERC Licensing
 - Interconnection
 - Resolution of land ownership and/or non-exclusive ROW for the Nevada Northern Railway Heritage railway corridor

Project Development Support and Investment

rPlus has engaged multiple contractors, from local to international firms, and invested thousands of worker-hours to advance the project.

- Basin Engineering (Local)
- Reck Brothers (Local)
- Conrad & Sons (Local)
- Piteau Associates
- HDR
- Most MacDonnell
- Cruz Subsurface
- GEI Consultants
- Power Engineers
- Bußen Law
- Dorsey & Whitney



Stakeholder Engagement Process

rPlus is in the process of stakeholder engagement with local, state and federal agencies and parties – Involvement is encouraged in order to further refine the project.



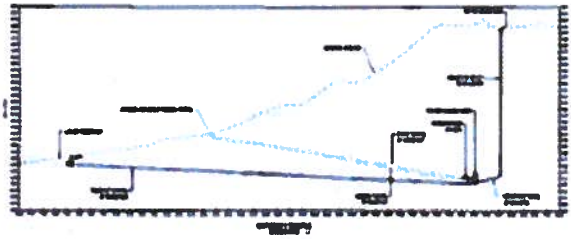
Project Location (reference)



Latest Project Layout Plan



Waterway Profile Plan



All figures and dimensions are preliminary and subject to ongoing engineering and design



Critical Data: Geotechnical Investigation

Geotechnical analysis, including borehole drilling, is critical for understanding project feasibility and design, and safe engineering and operation of the facility.

- rPlus originally planned to drill 13 geotechnical boreholes and conduct subsurface seismic imaging activities in 2021
- Due to permit and access delays, only one borehole was drilled to a 600' depth; the data is currently being analyzed
 - When the drilling was finished, borehole site (B3) was fully restored to BLM guidelines
 - Inability to dig by a 44-in screw, due to access restrictions, caused rPlus to incur additional unanticipated cost
- Geotechnical program is planned to continue in 2022

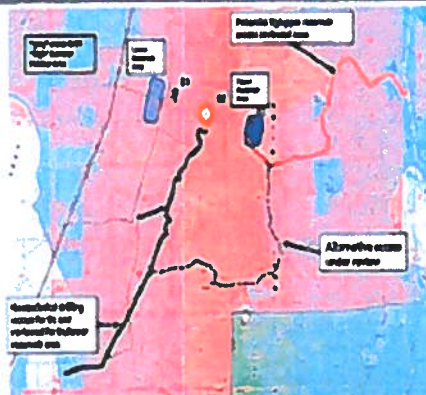


Activity at Barabak's location



activity at boundary 2 boundary

Alternative Access Routes under Review



All figures and dimensions are preliminary and subject to ongoing engineering and development. © Hydro



Water

- Basin Engineering & Piteau Associates are working on the hydrogeologic characterization
- Preliminary hydrology models indicate minimal likely impact to groundwater levels at the desired location of withdrawal for the project
- Change of use application has been filed with the NV State Engineer for the withdrawal amounts provided in the White Pine Waterpower agreement with White Pine County



FERC Licensing Process

- FERC Draft License Application (DLA) is in final internal review
 - >1,000-page document
- Circulation to stakeholder agencies (with 90-day comment period) and filing with FERC is expected in February
- Following public review and revisions to the DLA, a Final License Application (FLA) is expected to be submitted to FERC in Q4 of 2022



Interconnection

- Interconnection agreement in place for the original 750 megawatt (MW) size project
- Studies complete for the additional 250 MW and interconnection agreement for full 1,000 MW expected to be signed in February
- Project interconnection will be at Robinson Summit Substation via a 28-mile, 345kV gen-tie line



Estimated Economic Benefits

I. Estimated Employment

- Study/Development Phase:
 - Local firms employed; significant lodging, etc. spending over the next 4 years.
- Construction Phase:
 - Estimated 300-500 jobs over a period of 5 years.
 - Mostly skilled labor of the kind that should be able to draw upon area mining expertise (heavy equipment, earth-moving, tunneling)
- Long-Term Operation:
 - Up to 35 full-time employees, good income, local spending

II. Estimated Taxes

- Project capital investment estimated to be approximately \$2.3 billion
- Local tax revenue is expected to be in the range of \$30 million annually during initial 20 years, including abatement, and a similar amount for the remainder of the long lifespan of the project after abatement ends.

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Looking Ahead: The Next Six Months

- File FERC Draft License Application, work on Final License Application based on stakeholder feedback and requests
- Plan for completion of Phase 1 geotechnical investigation
- Advance engineering study based on results of borehole investigation
- Update BLM Right-of-Way Application
- Work with private landowners on long-term agreements
- Work with Nevada Department of Wildlife on seasonal windows for completion of geotech
- Development Services Agreement with White Pine County
- Work with City of Ely on positive relationship around project
- Continue processing the water change of use application
- Continue project marketing

rPlus Hydro

Project Contacts

rPlus Hydro

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rPlus Hydro

10. ADJOURNMENT: THE MEETING MAY BE ADJOURNED BY APPROPRIATE MOTION OF THE CITY COUNCIL.

Councilman Alworth moved to adjourn the regular meeting of the Ely City Council at 6:04 p.m. Councilwoman Williams-Harper seconded the motion. The motion carried unanimously.



MAYOR



ATTEST

