



CITY OF ELY

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

ELY MUNICIPAL UTILITIES BOARD REGULAR MEETING

April 8, 2021 8:00 a.m. – Ely Volunteer Fire Hall – 499 Mill Street – Ely, Nevada

1. Chairman John O’Flaherty called the regular meeting of the Municipal Utilities Board to order at **8:00 a.m.**, led in the Pledge of Allegiance and asked for Roll Call.

Members present:

- Chairman John O’Flaherty
- Member Dale Derbidge
- Member Ken Ross
- Member Jeremy Lilly

City Officials and staff present:

- Councilman Kurt Carson
- Councilman Ed Spear
- City Clerk Jennifer Lee
- City Treasurer-HR Director Janette Trask
- City Administrative Assistant Patti Cobb
- Public Works Supervisor Mike Cracraft
- City Engineer BJ Almberg

Also, in attendance: Members of the public in attendance at the Ely Volunteer Fire Hall signed in (appears below): Kaylynn Roberts-McMurray, Randy Long, and Micah Laack attended the meeting via video conference.

Municipal Utilities **ATTENDANCE LIST** Board

DATE: 4-8-2021

Print name below _____

Ed Spear
Shane Bybee
George Chachas

Print name below _____

2. PUBLIC COMMENT

George Chachas stated ongoing concerns regarding a utility billing audit; the billing at his property on 490 High Street; where the 490' of 16-inch steel pipe went after completion of the Murry Street Project; and concerns of squatters' RVs. Solutions to golf course water needs should not be an item for discussion until the 111 million gallons of water have been paid for. The auditors have stated in the past that you must show the true cost of doing business. The City of Ely cannot discriminate in any federally-funded or assisted utility and the City of Ely needs to be paid. Why has the water not been shut off due to non-payment? On Avenue A, I am not seeing what the status is; is that City property or did the City install a utility on private Property?

3. ITEMS FOR DISCUSSION/POSSIBLE ACTION OF THE UTILITY BOARD.

A. CONSENT AGENDA

MOTION: Move to approve the Consent Agenda item 3A-1 Minutes.

Moved by: Member Ross Second by: Member Lilly Vote: unanimous
Member Derbidge abstained due to his absence at the March 11, 2021 meeting

1. Discussion/For Possible Action –Minutes.
 - March 11, 2021

B. OLD BUSINESS

1. Board Members – *Robinson Nevada Mining Company* (RNMC) representative – Discussion only – Update to the Utility Board on the *Robinson Nevada* Development, Ruth Pit Development and water mitigation efforts within the City of Ely.

City Clerk Lee read the following email into the record:

Jennifer Lee

From: Frederick Partey <Frederick.Partey@us.kghm.com>
Sent: Thursday, April 8, 2021 6:00 AM
To: Jennifer Lee
Cc: Amanda Hilton
Subject: Utility Board Meeting - 4/08/2021

Hello Jennifer,

I may not be able to attend today's Utility Board meeting and I am by this email providing you an update on "Old Business" Item B 1. *Ruth Pit development and water mitigation efforts within the City of Ely.*

Robinson continue to mine from the Ruth pit complex, here is the breakdown of fresh water dewatering effort from the South block.

1. About 10,623gpm is being pumped, RW-7P account for 1,510 gpm, which is sent to the City of Ely
2. About 5,449gpm is going into Gleason Creek
3. The rest is going to the mill for ore processing.

Let me know if you have any questions.

Thanks,

Frederick

Frederick Partey (Ph.D., PMP)
Senior Manager, Environmental Resources-U.S Operations
T +1 775 289 7040
C +1 775 293 5261
Frederick.partey@us.kghm.com



Robinson Mine
P.O. Box 382, 4232
West White Pine County Rd 44
Ruth, NV 89319 USA
www.kghm.com

Chairman O'Flaherty stated We are still wasting 5,449 GPM down Gleason Creek.

C. NEW BUSINESS

1. Councilman Carson – White Pine County Commissioner Shane Bybee – Discussion/For Possible Action – Discussion regarding possible solutions to Golf Course water needs, with possible recommendation for course of action.

White Pine County Commissioner Bybee stated it came to our attention is that the billed rate with the Ruth-McGill Water District is at a discounted rate for municipal organizations. The Golf Course average usage per year would be 47.2 million gallons per year. We are asking is that you approve us at the \$.27 per 1,000 gallons with a cap at the 47.2 million gallons. If we exceed the 47.2 million gallons, it would revert to the normal rate.

Councilman Carson stated for billing purposes, the 47.2 million gallons divided by seven months would be 6.75 million gallons a month and would be worth revisiting this again in two years. The City really encourages the Golf Course to get their own well going again to save on the water usage in the City.

White Pine County Commissioner Bybee stated the goal is to modify our well so that we can run independently. The question I would have on the equal months billing is in May if we only utilize 4 million gallons and in July, we use 12 million, the 2.75 we don't use in May can we use it in July or as soon as we exceed that amount, do we start paying the standard rate?

Councilman Carson stated I would be ok with that adjustment.

Member Derbidge asked how is the 47.2 million gallons determined?

City Engineer Almborg stated I researched on the internet and found to keep eighty-seven acres of grass green it requires one inch of water a week which equates to 47.2 million gallons for the seven-month period to water the Golf Course. It also depends on the type of grass and other conditions as well.

White Pine County Golf Course Pro Randy Long stated the national average of rain fall is 38 inches and in the state of Nevada we get about 9.7 inches, which is only about a quarter of the average. We are in the high desert and I want to see the Golf Course protected.

Chairman O'Flaherty stated we don't know what the actual usage of water will be and there are a lot of unknowns, but we do need to keep the grass kept up as it is a place of recreation. How much overflow do we have in the courthouse tanks?

City Engineer Almborg stated as of yesterday there was a generous amount of water available, but that can vary from month to month.

White Pine County Golf Course Pro Randy Long stated it takes a lot of water to keep the greens up and to keep the new seed wet. We need to be able to bank water and use it when it is needed.

Chairman O’Flaherty stated there are too many variables and we should try what is displayed and revisit it after we see what the usage is.

Chairman O’Flaherty moved to recommend a combination of the Golf Course Water Usage and Rate Proposals to include a 7-month anticipated usage period, with the ability to carry over unused usage from one month to the next, and revisit with a two-year agreement. Member Derbidge seconded the motion. The motion carried unanimously.

Proposed Golf Course Water Usage and Rate (Revision – 1)

- Anticipated water use will begin April 1st and end October 31st (7 months).
- County would pay the Ruth Water rate for an allotted amount of 47.2 million gallons.
- Monthly billing would be based on water usage from the meter readings. Any water uses over the 47.2 million will be billed at the current City of Ely water rates.
- The 47.2 million gallon water use was determined by calculating a weekly water demand of one-inch of water per week for approximately 87 acres for 5 months (20 weeks). This is based on reduced water use in the early and late months of the growing season.
- This is an interim agreement with the main objective to get the Golf Course on its own well and remove the high demand from the City system.
- This agreement will be revisited in two (2) years.

Proposed Golf Course Water Usage and Rate (Revision – 2)

- Anticipated water use will begin April 1st and end October 31st (7 months).
- County would pay the Ruth Water rate for a total allotment amount of 47.2 million gallons divided evenly across the proposed 7 months (6.75 million gallons).
- Monthly billing would be based on water usage from the meter readings. Any water uses over the 6.75 million monthly allotment will be billed at the current City of Ely water rates.
- The 47.2 million gallon water use was determined by calculating a weekly water demand of one-inch of water per week for approximately 87 acres for 5 months (20 weeks). This is based on reduced water use in the early and late months of the growing season.
- This is an interim agreement with the main objective to get the Golf Course on its own well and remove the high demand from the City system.
- This agreement is meant to provide the County two (2) years to get the Golf Course on its own well.

George Chachas stated the billing for the Golf Course should be no different than others. The Golf Course is a luxury not a necessity. You can not put them in the same class as McGill and Ruth as they are serving communities. The water going down the ditch serves the Georgetown Ranch which you make money off of. If you cut that water off, you will have a problem with the lessee.

Ely Municipal Utilities Board Regular Meeting – April 8, 2021

White Pine County Commissioner Bybee stated I want to express my gratitude and say this is an unprecedented time that the City and the County are working together on many different agreements and the County appreciates your willingness in being partners with us.

Golf Course Pro Randy Long stated we were self-sufficient prior on our own well.

2. Councilman Carson – Discussion/For Possible Action – Possible recommendation regarding Robinson Nevada Mining Company’s request that the City of Ely assume ownership of the wells located at 17th Avenue and M, 10th Avenue and M, the Terrace and the Golf Course.

Councilman Carson stated we have been in negotiations for some time with Robinson Nevada Mining Company and they are requesting the City of Ely take ownership of these four wells before they come back to the negotiation table. I wanted to get everyone’s thoughts on this. I have no knowledge of the mine owning the two wells on 17th Avenue and 10th Avenue. The Terrace Well was owned by them but the Golf Course well is on City Land.

City Engineer Alberg stated the wells on 17th and Avenue M, and 10th and Avenue M have not had any upgrades to my knowledge besides the mine scrubbing the well. The well on the Terrace is a booster pump for the City of Ely and there was a new well installed and piping modified. The mine funded all of the improvements on the Golf Course well. I have not ever seen any documents showing ownership. It would be nice to for them to provide documents of ownership.

Member Derbidge asked if by ownership, they don’t want to do any maintenance on the pumps? We are still providing water for dewatering at the mine.

Member Lilly stated I think it would be in the best interest if the City owned the wells and increased rates to compensate for the usage from the mines especially with the possibility of the mines being sold.

City Attorney Manuele stated the mine will need to show proof of ownership.

City Treasurer Trask asked if there is proof of ownership through the mine will they take over the power bill to each well?

Chairman O’Flaherty stated they were providing 3,000 GPM and are currently providing 1500 GPM on one well.

Chairman O’Flaherty moved to get clarification of intent from Robinson Nevada Mining Company and bring this item back to the next meeting for further discussion. Member Ross seconded the motion. The motion carried unanimously.

Ely Municipal Utilities Board Regular Meeting – April 8, 2021

George Chachas stated in the agreement they need to provide the City with water. The mine needs to pay for the billing and the maintenance of the pumps due to the impact from dewatering they have put on the wells. Why would anyone allow someone to replace a well on their property without an agreement? I think this is bogus and don't doubt that they are trying to cut their costs up there, but they have an obligation to provide water to the City. Once Murry Springs comes back, this is all gone but until then there is an obligation.

3. Board Members - City Clerk Lee – Discussion/For Possible Approval – Recommendation to extend the Will Serve of NDOT's Ely Truck Wash Project NDOT CIR 133 Project Number 73973 from August 2021 to December 2022 due to delay of the project in 2020.

City Clerk Lee stated NDOT contacted the City of Ely and requested an extension of the previously approved Will Serve for the Ely Truck Wash Project as they will be bidding the project in July.

Member Ross moved to recommend the extension of the Will Serve of NDOT's Ely Truck Wash project NDOT CIR 133 Project Number 73973 from August 2021 to December 2022. Member Derbidge seconded the motion. The motion carried unanimously.

4. Board Members – City Clerk Lee– Discussion/For Possible Action – Recommendation to remove past due utility fee penalties up to the amount of \$2,164.72 from 110 W 9th N., Lund, Nevada at the request of the property owner, Joe Masini.

City Clerk Lee stated Mr. Masini paid his total landfill charges due in the amount of \$1,524.00 and he is requesting a waiver of the penalties.

Member Derbidge moved to recommend the removal of past due utility fee penalties up to the amount of \$2,164.72 from 110 W 9th N., Lund, Nevada. Member Ross seconded the motion. The motion passed unanimously.

George Chachas stated I want to know if this is a private residence or a business. I would like to know what this consists of: is it water and sewer or a combination?

City Clerk Lee stated it is Lund, so it is not water and sewer.

George Chachas stated that seems awful high for a residence. People need to know what they are being charged for. I would like a detailed copy of the billing. I am tired of the selective billing as I have been misbilled several times and would like to see what this person was billed for.

4. CITY DEPARTMENT REPORTS

➤ **CITY CLERK**

City Clerk Lee stated we received good news this week; GOED notified us and we did receive the funding for the 3rd phase of Murry Street, so we will be able to complete the sewer upgrade project. POOL PACT has notified us, that all entities by state statute in Nevada need to have a safety committee if they have over eleven employees, so Public Works Supervisor Cracraft will be heading that up.

➤ **CITY ENGINEER**

City Engineer Almborg stated things have been very busy. I have been attending calls with the PORTER Group; we had everything gathered for a final submission and some things changed last week regarding the request, so we had to make sure everything was into the PORTER Group correctly to present. The Aultman Street Project is very busy but going well; they will be putting in services and connecting soon. The Sewer project on Murry Street is also going well with the second manhole going in today. The concrete storm drain going in that is oval shaped is due to space restrictions.

5. PUBLIC COMMENT

George Chachas stated ongoing concerns with the corner of Ogden and Crawford where a new meter box was installed with a couple of bollards; if the City has notified Mt. Wheeler Power that they have to move some of their power poles on Murry Street in the blocks where new city sewer and water lines are going in; not being reimbursed for taking care of the sewer problem at 681 Parker; billing; credits he has coming; and commented the billing needs to come back to the City instead of contracting it out.

6. ADJOURNMENT: THE MEETING MAY BE ADJOURNED BY APPROPRIATE MOTION OF THE MUNICIPAL UTILITY BOARD

Chairman O’Flaherty adjourned the regular meeting of the Municipal Utilities Board at 8:51 a.m.



Chairman



Attest

