



# CITY OF ELY

501 Mill Street Ely, Nevada 89301

City Hall (775) 289-2430

[Cityofelynv.gov](http://Cityofelynv.gov)

## ELY MUNICIPAL UTILITIES BOARD REGULAR MEETING

**February 10, 2022 8:00 a.m.** – Ely Volunteer Fire Hall – 499 Mill Street – Ely, Nevada

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 Greg Rivero

Members absent:

- Member Sherrie Marquez

City Officials and staff present:

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

Also, in attendance: Members of the public in attendance at the Ely Volunteer Fire Hall signed in (appears below).

### **MUNICIPAL UTILITIES BOARD ATTENDANCE LIST**

**DATE: February 10, 2022**

Print name below

George Chachas

Print name below

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**2. PUBLIC COMMENT:**

George Chachas disclosed his consistent cough was allergies and stated ongoing concerns regarding 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 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, and collected in full from Garnett Mercantile; and the Nevada Department of Transportation (NDOT) project taking away the ADA access and the fire hydrants not being placed correctly.

**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 Derbidge Vote: Unanimous

1. Discussion/For Possible Action –Minutes.

- December 9, 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 into the record:

**Jennifer Lee**

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**From:** Frederick Partey <Frederick.Partey@us.kghm.com>  
**Sent:** Wednesday, February 9, 2022 4:26 PM  
**To:** Jennifer Lee  
**Cc:** Amanda Hilton  
**Subject:** Utility Board Meeting - 02/10/2022

Hello Jennifer,

I will not be able to attend tomorrow's utility board meeting, 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 11,231 gpm is being pumped, RW-7P has a pump and motor electrical problem, Robinson Mine is working assiduously to get the pump and motor issue resolved as soon as possible. Further, diagnostic test will be performed on Monday, February, 14 to better understand the timing to restore the pump and motor back. Communications will be relayed to the City of Ely as soon as Robinson Mine is able to diagnose the problem after February 14.
2. About 4846 gpm 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

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Robinson Mine  
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Ruth, NV 89319 USA  
[www.kghm.com](http://www.kghm.com)

Chairman O’Flaherty stated the pump went down on 1-23-22; it has been down for a couple of weeks. The well has been very problematic and I was under the vice the motor was going to be on hand, and obviously that was not the case. Maybe we can get some more information from Frederick on what future maintenance will be and how they are going to address it.

**C. NEW BUSINESS**

1. Board Members – City Clerk Lee – Discussion/For Possible Action – Election of Chairman thru December 31, 2022.

Member Derbidge moved to elect John O’Flaherty as Chairman of the Municipal Utilities Board thru December 31, 2022. Member Ross seconded the motion. The motion carried unanimously.

2. Board Members – City Clerk Lee – Discussion/For Possible Action – Election of Vice-Chairman thru December 31, 2022.

Chairman O’Flaherty moved to elect Dale Derbidge as Vice Chairman of the Municipal Utilities Board Thru December 31, 2022. Member Ross seconded the motion. The motion carried unanimously.

3. Member Rivero – Discussion/For Possible Action – Consideration and possible recommendation to grant White Pine County’s request to open negotiations for water allocations at the Golf Course.

County Commission Chairman Richard Howe handed out the following document:

**Committee to Negotiate Water Allocation for the Golf Course:**  
**Mike Wheable, James Beecher, Elizabeth Francis and Bill Calderwood**

**The Committee agreed the following bullet points should be requested of the Ely Municipal Utilities Board at their February 10<sup>th</sup> 2022 meeting.**

- **Golf Course would be billed at the current Ruth Water rate for a total requested amount of 70.0 million gallons**
- **Anticipated water usage will begin April 1<sup>st</sup> and end October 31<sup>st</sup> (7 months)**
- **All unused water would be carried forward throughout the summer months until October 31<sup>st</sup>**
- **Monthly billing would be based on water usage from the meter readings**
- **Any water usage over the 70.0 million gallons request will be billed at the current City of Ely water rates**
- **This request is for two seasons starting on April 1<sup>st</sup> 2022 and ending October 31<sup>st</sup> 2023**

**This agreement is meant to provide the County two (2) years to get the Golf Course on its own well.**

White Pine County Commission Chairman Howe stated the Golf Course is an asset to White Pine County. Last year we went with a negotiated item of forty-six million gallons without having a continual record of how much water we were using to operate the Golf Course. We tried to conserve water, but we were in dire straits because the hot summer days came way earlier than normal. We ended up using fifty-six million gallons without even having the water turned on in March, April, and May; so, we were eight million gallons over. Through research that we have done, Wendover, Elko, and Humboldt with average eighteen-hole golf courses use between seventy-five and eighty-five million gallons of water. We have sixty acres and sixty percent of the Golf Course is owned by the City and forty percent is owned by the County. The County leases the Golf Course from the City; we just signed another thirty-year agreement. The County maintains the Golf Course, pays for the personnel, and takes care of the buildings. We are concerned about the allocation of the water. During the budget season last year White Pine County authorized \$200,000.00 to go towards redrilling and rehabbing the pump on hole five anticipating from years past what it would cost to drill a hole. We are currently using the City's chlorinated water from their domestic water well and paying the fee, but by utilizing our water rights and drilling our water on the site it would become County owned water. We would maintain the pump and well. We have had several meetings and have met with Robinson Mine. We thought we had a working agreement where we would pay the \$200,000.00. The estimated cost we got from Gibson's Drilling was \$236,000.00 for the drilling and that did not include the pump. The Mine thought we could use one of their old pumps that they had in storage they are not using anymore. After discussing it with them in January we are not really in the market to use a used pump and not knowing how long it will last or if it is even compatible. I would like to ask the Municipal Utilities Board and the City if they would have an appetite to join with the county and pay up to \$100,000.00 to add to the \$200,000.00, we already have. That would allow us to get a new pump and move from using the City domestic water to non-potable water on County resources. We have water rights and by State Statute if you don't use them within a five-year period they can be picked up by different entities and we don't want that to happen. We had forty-eight million gallons in the agreement, and I think we need eighty million gallons, but the committee thinks we need seventy million gallons, so we don't take too much. We have formed a committee and hope to meet with a committee the City puts together to have this negotiated by the third week of March and approved by the County on the forth Wednesday and the City on the Forth Thursday. This will allow us to have a new agreement in place by the time we kick the water on April 1<sup>st</sup>. The request is for two years with the end goal to have the well at the golf course up and running.

City Clerk Lee stated to clarify for the record, the City Engineer has confirmed that it is the City's water rights that we are discussing.

White Pine County Commission Chairman Howe stated there may be some difference in opinion of whose water rights they are, and we are under the impression of where the well is placed it is County water but can be discussed when the committees meet.

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Member Derbidge stated whether the water rights are County or City it would be beneficial to the whole community to use them. In the best circumstances when would they start to drill the new well?

White Pine County Commission Chairman Howe stated as soon as we have the money. The Mine has already told us they can't give us the money but could give us a used pump which I don't think is going to do us any good. One of the things the City could consider drawing from would be their American Rescue Act Plan Funding. This project would fall under the guidelines of community water infrastructure.

Chairman O'Flaherty clarified the County has \$200,000.00 towards the well and is asking the City for additional funding between \$75,000.00 and \$100,000.00, and to increase the water usage to seventy million gallons at the Ruth rate, and after that is reached going to the standard rate.

City Clerk stated just as a reminder the agenda item is to grant the County's request to negotiate.

Chairman O'Flaherty stated we are not making any decisions but deciding on a negotiating committee to meet with the County.

Councilman Carson stated I thought we did have a negotiation team with the County, and I am a little confused why we are going through this. John helped us out with those negotiations, and it was an appointed committee. Do we form a new committee or keep the old one?

White Pine County Commission Chairman stated we have had turnover and since we are asking for a different allocation we wanted to meet; whoever the City decides for a committee is fine.

City Clerk Lee stated this item is to open negotiations and then if opened the committee can be formed.

Councilman Carson stated I feel like they are still open. When we left the meeting, we stated if there was a problem with usage or pricing to reach out to us and we could meet again.

Chairman O'Flaherty stated in prior discussions B.J., Councilman Carson, and Councilman Alworth were on the committee. I understand the County personnel has changed and I think it is just important that we get a committee together that involves the City Engineer, a Council member, and a Utility Board Member.

Member Derbidge recommended Consideration to grant White Pine County's request to open negotiations for water allocations at the Golf Course. Member Rivero seconded the motion. The motion carried unanimously.

George Chachas stated negotiations for water allocations at the Golf Course should not be considered as your auditors have always stated that the City should charge all entities for the use of water at the same rate that has been established for their particular class of operation. Years ago, the City was not charging itself for water on different parts of the cemetery and the auditor wrote them up and that changed. I want to remind you the County Commission gave free golf to family and friends and if they would have collected, they would have had the money to pay their water bill. Golf is a luxury and not a necessity. Did they ever catch up their past water bill? The City is paying their fair share and the County needs to do the same.

4. Councilman Carson – Discussion/For Possible Action – Recommendation to approve Resolution 2022-2 changing the fee commercial entities are charged to dispose of tires to \$280.00 per ton.

Councilman Carson stated unfortunately we did this a year ago and here we are again. We are currently charging \$240.00 a ton and with trucking prices going up it is now \$260.00 to ship it to Utah. We would like to increase it to \$280.00 to absorb future anticipated increases.

Member Ross moved to recommend approval of Resolution 2022-2 changing the fee commercial entities are charged to dispose of tires to \$280.00 per ton. Member Rivero seconded the motion. The motion carried with one abstention from Member Derbidge since he has a business that uses this service.

5. Councilman Spear – Councilman Alworth – Discussion/For Possible Action – Recommendation for PORTER Group to submit an earmark request on behalf of the City of Ely for system-wide water meter installation.

City Clerk Lee stated in your packet material there is a summary of advantages of getting that implemented system wide. The two Council members are working with the City's lobbyist group to potentially submit an earmark for \$29 million.

Chairman O'Flaherty stated the price tag associated with that is astronomical. If we could get a system upgrade, it would be fantastic and as the lines deteriorate it would be advantageous to the City.

Member Derbidge moved to recommend approval for the PORTER Group to submit an earmark request on behalf of the City of Ely for system-wide water meter installation. Member Rivero seconded the motion. The motion carried unanimously.

#### **4. CITY DEPARTMENT REPORTS**

##### **➤ CITY CLERK**

City Clerk Lee stated we are almost ready to submit our CDBG Application and Basin Engineering has been assisting quite a bit with that. I was notified by our local BLM District Office that there will be a Green-up Grant opportunities coming.



➤ **CITY ENGINEER**

City Engineer AlMBERG stated to answer questions that you asked earlier regarding 7-P, they do have a spare pump and they have dropped it in the hole. It is running but they think there is a problem with the coupling because the motor is running but is it not spinning the pump.

Chairman O’Flaherty asked what is the plan of action?

City Engineer AlMBERG stated after talking with the pump and motor guys it is my understanding, they will be pulling the pump.

Chairman O’Flaherty stated it is fortunate it has happened during the winter months.

City Engineer AlMBERG stated I agree. This is something to consider regarding the water agreement with the Golf Course because it changes our whole scenario when we don’t have 7-P for our summer water.

Councilman Carson stated correct me if I am wrong, but that did happen a few years ago and we had to ask the Golf Course to quit watering during the summer peak for a few days and luckily it wasn’t the pump, but an electrical issue.

City Engineer AlMBERG stated we have been doing some cost estimating at the Landfill for the runoff ditch and runoff pond for water runoff to protect the Landfill if it ever gets a flash flood. We have to have these per the permits that were in the design years ago and have not been done. The Landfill is looking at budgeting it in this year and getting it taken care of. We have been helping with the CDBG Application that Jennifer mentioned. We have had quite a few frozen pipes around town, and we have been coordinating where we can, to try and help keep everybody’s pipes thawed. We are compiling our water usage over the last few years and figuring out our costs of each well to see how to operate them in the most efficient way.

Chairman O’Flaherty asked what big projects do you have coming up that are going out for bid?

City Engineer AlMBERG stated the last phase of Murry Street will be coming up and that phase will get us all the way to Dickerson Avenue. We are working with NDOT on the next phase of Aultman Street which they are anticipating happening in about two years. They think one more phase will complete the project. The new infrastructure bill that was passed should be beneficial to us as they will be looking for projects to complete with that funding. One of the things we did have a problem with on Aultman Street is the sewer got backed up. The sewer goes under one of the hotels on Aultman Street and we have been looking at ways to go around this and it will take obtaining some utility easements on this property and another location on Campton Street to resolve the problem.

**5. PUBLIC COMMENT:**

George Chachas stated ongoing concerns with the recent NDOT project on Great Basin Boulevard stating his property did not get a new meter pit, nor did his brother's property; the damage he alleges Q & D caused when parking their vehicles over a curb stop; NDOT putting a barbed wire fence around an area in central Ely which violates City Code; permitting of RVs; and selective enforcement.

**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 **8:48 a.m.**

  
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Attest

  
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Vice Chairman