



CITY OF ELY

501 Mill Street Ely, Nevada 89301

City Hall (775) 289-2430

Cityofelynv.gov

ELY MUNICIPAL UTILITIES BOARD REGULAR MEETING

May 11, 2023, 8:00 a.m. – Ely Volunteer Fire Hall – 499 Mill Street – Ely, Nevada

1. Chairman 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
Vice Chairman Dale Derbidge
Member Ken Ross
Member Greg Rivero (Zoom)
Member Sherrie Marquez

City Officials and staff present:

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

Also, in attendance: Members of the public in attendance at the Ely Volunteer Fire Hall signed in (appears below): None

2. PUBLIC COMMENT

George Chachas stated ongoing concerns regarding the billing for his property located at 490 High street; his concern with the property at 790 Avenue I getting a write off for approximately \$4,000.00 and they were using all utilities; his request for reimbursement for the sewer problem he took care of at his property at 681 Parker Avenue; his concern of the private sewer line that was installed during the Phase III of the Murry Street Project; the installation of water taps and sewer connections for his property located at 729 and 733 Great Basin Boulevard; the alleged damage done at 745 Great Basin Boulevard by Q & D Construction; and his request for a complete list of RVs that have been permitted in the City and if they are paying utilities.

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

A. CONSENT

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

Moved by: Vice Chairman Derbidge Second by: Chairman O’Flaherty Vote: Unanimous

1. Discussion/For Possible Action –Minutes.

- April 13, 2023

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 Parthey <Frederick.Parthey@us.kghm.com>
Sent: Wednesday, May 10, 2023 3:24 PM
To: Jennifer Lee
Cc: Amanda Hilton
Subject: Utility Board Meeting- 5/11/2023

Hello Jennifer,

I will not be able to attend tomorrow 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.

About 10435 gpm is being pumped, 3,783 gpm is going into Gleason Creek and the rest is going to the mill for ore processing. RW-7P- is delivering 1,164 gpm into the city water system.

Please let me know if the utility board has any questions.

Thanks,

Frederick Parthey (PhD, PMP)
Senior Manager Environmental
Resources-KGHMI
T +1 775 289 7040
C +1 775 293 5261
frederick.parthey@us.kghm.com



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

C. NEW BUSINESS

1. Board Members – City Engineer Almberg - Discussion/For Possible Action – Recommendation of Award the bid for two (2) submersible pumps for the City of Ely Lift station located in the White Pine County Industrial Park three (3) miles north of Ely.

City Engineer Almberg stated this is a bid for the pumps out at the Industrial Park for the pump station that failed several months back. This project started as a maintenance project and unfortunately, they couldn't get the old pump up and running so they proceeded to order pumps. Once Mike had a price on the pumps, he realized it was going to have to go out for a bid. We have located the specifications from the original pumps that were put in so the companies bidding could make sure the pumps are compatible and meet the requirements. The lead time on getting these pumps is ten to twelve weeks once they are ordered. The City wants to get moving on this to get these ordered and once that happens we will work with the City to get a contractor on board to come and install these pumps. The pumps and labor are budgeted for the next fiscal year and due to the timeframe, it will all probably roll in about the beginning of the fiscal year. We have a quote, but we want to have all the submittal documents to go along with it. Once we have all that information and we feel confident then we will place that order.

Chairman O'Flaherty stated we definitely need new pumps, but my concern is, in the best interest of the City we might put that bid out to be installed instead of the City just providing the product. The only reason I say that is because if the City purchases the product by itself, I understand the pumps are warrantied, but the contractor when they install the pumps also assumes the liability for an extended period of time. Therefore, if there is an issue with it the City can go back on that particular contractor. I just question if it is in the best interest of the City to bid it out together.

City Engineer Almberg stated I understand that point of view and typically that is the way it would normally be done. The Board could definitely vote to go that way, but I want to make you aware of the time delay and some of the reasons we decided to go the way we did was the daily costs to have it manually pumped during this time frame. We are hoping to only have to pump it down one more time to save costs.

City Public Works Supervisor Cracraft stated as the end of April we have spent \$125,576.00 in pumping costs and that is not including what we have now. The budget for the Wastewater Treatment Plant is 355% over budget; \$114,300.00 over budget. When we pump it down it costs \$40,000.00 to put the new pumps in so I would like to do it one more time and get it going.

Chairman O'Flaherty stated the cost is excessive for sure. We rebuilt one pump, and could you explain the scenario that happened to that pump?

City Public Works Supervisor Cracraft stated we rebuilt that one pump and tried to install it and it just wouldn't seat, that is when we made the decision to pump it all the way down to the bottom to see if we could put somebody down in there to see why it wouldn't

seat. We lowered our employee down in there and he tried both ports, raised the pump and motor back up to put a new seal and it still would not seat in there properly and was constantly leaking.

Chairman O’Flaherty asked how much did it cost to rebuild that pump?

City Public Works Supervisor Cracraft stated approximately \$17,000.00.

Chairman O’Flaherty stated I am a little concerned too if the City furnishes the pump is it going to be a problem to get a contractor to put it in?

City Public Works Supervisor Cracraft stated as of yesterday we have had two contractors contact us that are very interested in the job. One of the contractors is from Salt Lake City and one is from Mesquite, and both are licensed in the State of Nevada. I personally felt very comfortable after yesterday knowing that there were contractors interested.

Chairman O’Flaherty stated the only negative thing in conjunction with this is you realize there is probably about ten thousand dollars worth of taxes the City will pay, because if the contractor purchases it they pay the sales tax.

City Engineer Almborg stated the Pump provider that Mike talked to yesterday stated he will be here on startup so he can warranty the pump.

City Public Works Supervisor Cracraft stated between Raul and I we sent out eight packages on these pumps and we only received the one back. The one that we received a quote back from was the one that previously rebuilt the pump.

Chairman O’Flaherty stated I just want to disclose that I do not have a conflict of interest as I did not bid on this project or have interest in bidding this project.

Member Derbidge asked how many times do you have to pump it in a month and what is the cost a month?

City Treasurer/HR Director Trask stated I recommend we do it sooner than later because with another month you are looking at about another \$50,000.00 and it wasn’t budgeted to start with.

City Public Works Supervisor Cracraft stated we are going to have to drain it one more time so that will be another \$40,000.00.

Vice Chairman Derbidge moved to recommend the Award of the bid for two (2) submersible pumps for the City of Ely Lift station located in the White Pine County Industrial Park three (3) miles north of Ely to Mountainland Supply Company. Member Rivero seconded the motion. The motion passed with three ayes and two Nays: Chairman O’Flaherty and Member Ross voting Nay.

2. Councilman Carson – Discussion/For Possible Action – Approval to waive commercial fees to deposit metal at City Landfill from May 12, 2023, thru May 31, 2023, to encourage commercial property owners to clean up their property OR direct City Attorney to prepare a resolution to waive fee entirely.

Councilman Carson stated it is that time of year. I would like to waive the fee entirely and I haven't talked to the City Treasurer yet.

City Treasurer/HR Director Trask stated we get a very minimal amount for the metal at the Landfill with it being maybe \$5,000.00 a year and that includes the fees to drain refrigeration. We get way more money when we ship the metal out than what we collect at the gate. We also get a minimal amount back from the Green Up Grant, but our main revenue comes from selling the metal. The Green Up Grant is also for tires and other things as well.

Vice Chairman Derbidge moved to recommend directing the City Attorney to prepare a resolution to waive the fees to deposit metal at the City Landfill entirely. Member Marquez seconded the motion. The motion carried unanimously.

3. Councilman Carson – Discussion Only – Review of White Pine County Golf Course 2023 water allotment and rate per City Council action on March 10, 2022.

Councilman Carson stated we had some confusion this year when we turned on the water because we had talked about a one-year contract, but the motion was by Councilman Alworth to go until October 31, 2023, so the Golf Course will get the same watering rate as they did last year for this watering season as well. I just wanted to let everyone know that. The County is working on drilling their own well. It is a big project so will take most of the summer.

PUBLIC COMMENT

George Chachas stated I am against giving the Golf Course a break. You don't give anybody else a break and your auditors say the true cost of business must be reflected in the operation and that includes the cost of water for the facility. The County came up with a half million dollars for a well and about \$70,000.00 for an engineer. If they can come up with that kind of money, they can pay their monthly bill to keep the system going for all of us. The Golf Course needs to pay the same rate as other businesses.

4. Board Members – City Engineer Almberg – Discussion Only – Review of State of Nevada Bureau of Sustainable Materials Management (BSMM) Approval of 5-year Capacity Report Update for City of Ely Municipal Landfill, White Pine County, Nevada, Permit # SW224REV03.

City Engineer Almberg stated this is just an update letting you all know that the Nevada Department of Environmental Protection (NDEP) did accept the analysis of the remaining Landfill life. As was stated before our Class III Landfill life is projected to

last until 2066 and at that time all Landfill Class III will go to Class I and the life of Class I is anticipated to be until 2071.

Councilman Carson asked in 2071 how tall will the Landfill be?

City Engineer Almborg stated I don't know that off the top of my head, but I will get that for you because we created a model for ultimate design that is approved and then when we do the aerial, we calculate the air space of where we are and where we are going to.

5. Board Members – City Engineer Almborg – Discussion/For Possible Action – Recommendation to approve Golden Gate Petroleum LLC's Will-Serve Application to tap the City's water line at APN: 002-042-08 for one – three-inch (3") water service, three – two-inch water service, and one hundred and ninety-two (192) fixtures.

City Engineer Almborg stated you have information in your packet regarding information that we compiled from them. The fees have been paid, their building and site plans are in for review with the City and we have had the opportunity to review some of those civil plans. There are a few trivial things on here that they will take care of. However, there were a couple of things I wanted to bring to the Board's attention. The way the site plan is laid out right now there is one access off of the highway and the concern is their big trucks are going to be exiting onto our Golf Course Road. I am not sure our city street is capable of handling that kind of load. I think they need to mitigate that and either improve our roads for the loads that will be going across it or revise their entrance so the trucks can go back out on the highway. There is no curb and gutter showing on the roadways. I did have a conversation with their engineer, and I don't think they are going to back at putting that in for this project, they just did not show it originally in the plans. The other concern is the City's sewer main goes through the southern end of their property and they are proposing a RV park right on top of the sewer main. They have detention ponds on site for drainage of rain. The issue with the one on the southern end where they are going to have the RV park is that it is deep enough, they are actually exposing our sewer main going through there. I would think the City would want them to reroute the sewer line so it is not underneath their RV park.

Chairman O'Flaherty asked will they be able to gravity feed to the sewer line, or will they need to put a pump station in?

City Engineer Almborg stated they will have individual pump stations for them and then those services will be pumped into our line.

City Attorney Cahoon stated the reason all of this ties into the Will Serve is we are looking at potentially making the Will Serve contingent on fixing those deficiencies.

Chairman O’Flaherty stated I see there is a carwash on the will serve is that one car wash or multiple bays?

City Engineer Almberg stated it is just a single bay car wash.

Member Ross recommended approval of Golden Gate Petroleum LLC’s Will-Serve Application to tap the City’s water line at APN: 002-042-08 for one – three-inch (3”) water service, three – two-inch water service, and one hundred and ninety-two (192) fixtures contingent on Golden Gate Petroleum LLC mitigating the impact on City of Ely roadways and rerouting the existing sewer main. Vice Chairman Derbidge seconded the motion. The motion carried unanimously.

PUBLIC COMMENT

George Chachas stated I have a concern; I am a member of the Regional Planning Commission (RPC) but am speaking as a private citizen now. The RPC approved an RV Park for that area which is a considerable chunk of property. If the Commission had known what the plans were for ingress and egress, I would not have suggested an RV park when you are going to put all those trucks on City streets.

Chairman O’Flaherty stated we just discussed that.

George Chachas stated there is no known status of available will serves and that should be changed. There should be a monthly report on how many will serves are available and how many are going out.

Chairman O’Flaherty opened items 6, 7, 8, and 9 together.

6. Board Members – City Clerk Lee – Discussion/For Possible Action – Recommendation for approval to remove past due utility fee penalties up to the amount of \$107.00 from 6 Avenue F, McGill, Nevada at the request of Property Owner, Jessie and Marissa Loghry.

Vice Chairman Derbidge moved to recommend approval to remove past due utility fee penalties up to the amount of \$107.00 from 6 Avenue F, McGill, Nevada at the request of Property Owner, Jessie and Marissa Loghry. Member Ross seconded the motion. The motion carried unanimously.

7. Board Members – City Clerk Lee – Discussion/For Possible Action – Recommendation for approval to remove past due utility fee penalties up to the amount of \$353.52 from 1 First Street, Ruth, Nevada at the request of Property Owner, Melissa Tamura.

Vice Chairman Derbidge moved to recommend approval to remove past due utility fee penalties up to the amount of \$353.52 from 1 First Street, Ruth, Nevada at the request of

Property Owner, Melissa Tamura. Member Ross seconded the motion. The motion carried unanimously.

8. Board Members – City Clerk Lee – Discussion/For Possible Action – Recommendation for approval to remove past due utility fee penalties up to the amount of \$1,317.88 from 64 North Third Street, McGill, Nevada at the request of Doris Lyman McNeal.

Vice Chairman Derbidge moved to recommend approval to remove past due utility fee penalties up to the amount of \$1,317.88 from 64 North Third Street, McGill, Nevada at the request of Doris Lyman McNeal. Member Ross seconded the motion. The motion carried unanimously.

9. Board Members – City Clerk Lee – Discussion/For Possible Action – Recommendation for approval to remove past due utility fee penalties up to the amount of \$3,636.11 from 646 Stevens Avenue, Ely, Nevada at the request of Dwayne Pope.

Vice Chairman Derbidge moved to recommend approval to remove past due utility fee penalties up to the amount of \$3,636.11 from 646 Stevens Avenue, Ely, Nevada at the request of Dwayne Pope. Member Ross seconded the motion. The motion carried unanimously.

Member Marquez asked when we remove these penalties and fees, is it a one-time forgiveness?

Member Ross stated it is based on the individual situation because most of these we are approving is property that has been purchased and they have paid the principal and asked the penalties to be waived.

City Clerk Lee stated since I have been here, we have not had accounts build back up again. If they are granted a penalty waiver the monthly payments come in after that and certainly that would be up to the Board if that were to happen.

PUBLIC COMMENT

George Chachas stated I want to remind you that I paid the principal and penalties in full on my property located at 490 High Street and I did not get the same consideration you are giving these people. I am not against the write-offs, but I want equal consideration. I also want to remind you that you have yet to put me on an agenda to be reimbursed for the overpayment that I made on the old Ely Grade School when I bought the property. The City gave consideration to Mr. Bath when he bought the Plaza Hotel and here I am years later waiting for reimbursement.

4. CITY DEPARTMENT REPORTS

➤ CITY CLERK

City Clerk Lee stated we received our notice to proceed on our Bell Avenue Waterline Project and Parker/Stevens Project through CDBG.

➤ **CITY ENGINEER**

City Engineer AlMBERG stated Jennifer just mentioned that we received notice to proceed on the two CDBG projects. As I mentioned before, we will probably start focusing on that after the first of the fiscal year. The one thing we want to do now since we got the go ahead is do the aerial before the trees leaf out.

Chairman O’Flaherty asked can you give us a brief description of what those two projects were again?

City Engineer AlMBERG stated the project in Central Ely was replacement of the sewer main which was a continuation of a previous project and lower Bell Avenue water lines that will tie into what was completed last year with the Aultman Street project where we have some bigger lines that are across the street. We will come back in and replace the small lines on Bell Avenue to improve our water system in that area.

Vice Chairman asked will that complete Central Ely?

City Engineer AlMBERG stated no, this will complete one more phase and then we have our earmark that we received we are working through to see if we get a waiver for the categorical exclusion and that will be the much bigger phase. Once the CDBG portion is finished the earmark will pick up where that one left off and the intention of the earmark is to get the main up to Aultman Street and at that time we will basically have a brand-new sewer from Murry/Dickerson all the way down to the sewer plant. We do have the plaque that needs to be put at the park for the Murry Street Project that Mike and his crew will be working on. Aultman Street is one of the things we are working on now. NDOT is wanting the Ninety percent plans by the end of June and the anticipated start date is next spring for that project. The Contractor has started grubbing for the Landfill ditch project today and will hopefully start building the ditch next week.

5. PUBLIC COMMENT

George Chachas stated ongoing concerns regarding his request for a complete list of RVs the City has permitted and if they are paying utilities; the drainage onto his property from the Bath’s property that is causing erosion on his property due to the lack of curb and gutter, the estimate he received from Reck Brothers to repair the damage is \$24,500.00; his request for the alleged discrimination to stop; if the City ever collected in full for water, sewer and landfill services from the Historical Railroad when they owned the White Pine Trailer Park, collected in full from the Garnett Mercantile, and collected in full from the Golf Course; and the billing on his property located at 490 High Street.

City Clerk Lee stated the next meeting is scheduled for June 8, 2023.

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 **8:53 a.m.**



Attest



Chairman