



# 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

December 14, 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
- Member Ken Ross
- Member Greg Rivero
- Member Sherrie Marquez

Members absent:

- Vice Chairman Dale Derbidge

City Officials and staff present:

- Councilman Kurt Carson (Zoom)
- Councilman Jim Alworth
- City Clerk Jennifer Lee
- City Treasurer/HR Director Janette Trask
- City Public Works Director 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

### MUNICIPAL UTILITIES BOARD ATTENDANCE LIST

DATE: December 14, 2023

Print name below

George Chachas

Print name below

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**2. PUBLIC COMMENT**

George Chachas stated ongoing concerns regarding his request for a copy of the permit the City had to obtain to fix the water line on Aultman Street on March 5, 2023; 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; his request for reimbursement on the sewer problem he took care of at 681 Parker Avenue; the water line that extends from Loves to the Charter School in his opinion should have been the responsibility of the developer; his concern of an item passed by the City Council on April 16, 2008 to waive fees on water and sewer to the Nevada Northern Railway and states he pays every month and wants equal protection under the law; and his request for the contract for phase II and III of the Murry Street Project. Mr. Chachas stated you are to consider recommending approval for Resolution 2023-12 regarding issues with the City’s water and sewer lines and I want to bring your attention to the first whereas.

**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 Rivero Second by: Member Marquez Vote: Unanimous

1. Discussion/For Possible Action –Minutes.
  - November 9, 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**

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**From:** Frederick Parley <Frederick.Parley@us.kghm.com>  
**Sent:** Wednesday, December 13, 2023 4:19 PM  
**To:** Jennifer Lee  
**Cc:** Amanda Hilton  
**Subject:** Utility Board Meeting- 12/14/23

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 7,916gpm is being pumped, 1,887gpm is going into Gleason Creek and the rest is going to the mill for ore processing. RW-7P- is delivering 1,106gpm into the city water system.

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

Thanks,

Frederick

**C. NEW BUSINESS**

1. Councilman Carson – Discussion/For Possible Action – Recommendation to approve Resolution 2023-12, establishing that the City’s water operators will determine responsibility for water or sewer line issues and verify that repairs performed in public rights-of-way by licensed contractors are correct prior to backfilling, subject to confirmation by the City Director of Public Works.

Councilman Carson stated we never had a standard operating procedure for this, and nobody can see underground. Everybody really needs to look and see whose side it's on. Hopefully, this will help with some clarification on that.

Chairman O’Flaherty stated I agree with you Kurt. I think either the Public Works Director or the City Operator should be involved, and I think this is a good resolution.

City Attorney Cahoon stated I think because you have a financial interest in this, you can't speak to the item. When there is a conflict of interest you can't try to sway the Council or the Board one way or the other. You basically just have to allow others to speak.

The item died due to lack of a quorum to vote with Chairman O’Flaherty needing to abstain.

2. Councilman Carson – Discussion/For Possible Action – Recommendation to approve a Memorandum of Understanding with Eastern Nevada Climbers Alliance for the stewardship of recreational climbing activities on City property known as the Hercules Gap, APN 010-270-07, and APN 101-270-09.

City Attorney Cahoon stated this is pretty straightforward and it just lays out what their intent is and what they plan on doing. It provides some protection to the City under the disclosure section. It is the city's property so obviously we would notify them if we had any intent to do something different with the property, but if for some reason it was an emergency, or we couldn't contact them, we are able to remove the climbing gear that would be there if there was a purpose for the City to do that. The City shouldn't be held liable for any kind of injuries that occur as a result of climbing or any of the activities going on there. It sounds like they will do a good job taking care of the land out there and make it useful for recreational climbing.

Councilman Carson stated I think it'll be a great thing for the community and honestly, I didn't know the City of Ely had that land anyway. It will help take some liability off of us as well.

Member Rivero moved to recommend approval of a Memorandum of Understanding with Eastern Nevada Climbers Alliance for the stewardship of recreational climbing activities on City property known as the Hercules Gap, APN 010-270-07, and APN 101-270-09. Member Marquez seconded the motion. The motion carried unanimously.

3. Councilman Alworth – Discussion/For Possible Action – Review of research and history on the installation of the White Pine County Industrial Park Sewer Lift Station and discussion on possible revisions on the City’s standard operating procedures of accepting utility system additions and ideas regarding continued operation/repair of said sewer lift station.

Councilman Alworth stated I came before the board about two months ago, with a concern when the sewer lift station out there on North Industrial went down back in October of 2022. I was somewhat surprised that the City pays all the electrical costs on pumping County waste to the sewer plant. We got into who put the pump station in, which led to your direction to do some research and kudos to Clerk Lee as the research was quite intensive. There were fifty or fifty-four pages I believe going all the way back to 1982. Honestly, I started reading this, but started nodding off because there's so much involved in this, and I'll defer the research on that to Clerk Lee or the City Attorney. We're around \$509,000.00 to repair that pump with the cost of the equipment, and the truck rental to pump it out. The one thing that's not in there is our employees were going out there pumping, so on the safe side we're probably close to \$525,000.00 out of City Sewer Funds. My point being is we're going to see future development out there with possibly another housing development and convenience store. The Northeastern Nevada Regional Development Authority flew a drone out there to show other people in the State that there's property out there that can be used for industrial growth. We're looking at that sewer pumping station possibly being used a lot. I think we need to look at future growth and have a memorandum of agreement with the County on who's going to pay for pumping County waste?

City Attorney Cahoon stated the main thing I was really interested in is, as you can see in the packet there is a resolution number 81-8 from, I believe, 1981 that references an agreement between the City and the County. I had to do some digging to try to get that. The County Recorder didn't have anything on file, so I contacted the County Clerk and they had to go digging through their vaults, and they did find an agreement, but it is not signed or executed; she couldn't find an executed agreement. Under that agreement it does seem as though the intent was to have the City being responsible for repairs and maintenance. It says the County will provide recorded easements for the operation and maintenance of all mains and equipment within the park, including rights of ingress and egress for maintenance or placement purposes. Easements must be approved by the city attorney as to form. So, while there was an intent, I don't believe anything was actually executed. Regardless of how the City wants to go forward with this on who covers costs, and how we can maybe recoup some of these expenses that we've had. I think this needs to be fixed and we certainly should get with the County and have an actual agreement executed so we know who's responsible for those things, whose property it is, and who should be taking care of these things. I do think there are many solutions and I think one that was discussed at our last meeting was that we simply assess a higher fee to those County residents to cover the cost of the pumping and the electricity. We can certainly sit down with the County and brainstorm and see what we need to do going forward and execute a new agreement, just to make sure that this is solidified, and we know who's responsible for what.

Councilman Alworth stated we don't want to drag our feet on this. Public Works Director Cracraft told me there is a warranty on the new pump, but we need to have something in place with the County before that warranty is up. The City cannot be subsidizing the County any longer on this pump station.

Chairman O'Flaherty stated I guess I'm trying to be the advocate for the County, because they're going to come back and say, you get the revenue from all the people out there and does the revenue offset it.

Councilman Alworth stated where would they send their waste if we did not have the Wastewater Treatment Plant? They have got to send it somewhere. If this housing development goes in up to twenty-five Homes, where is that going to go? Are they going to put in a settling station such as McGill has, or are they going to pump again? We're running a sewer facility for all the residents in the City and out in the County. I think the question is, are we making money? We're running the sewer plant and maintaining a sewer plant that cost hundreds of thousands of dollars to run. I don't think we make money.

Chairman O'Flaherty stated I am not disagreeing with you Jim, I think we need to get an agreement in place.

Member Rivero stated I just heard that they have some divisions planned in this area. Is the pump able to carry this extra load?

City Engineer Almborg stated we just replaced it with an equivalent pump to what was in there, and so there is still some capacity left in it for some expansion. To answer your question as far as if a subdivision comes in; it will be the responsibility of that subdivision if it exceeds the capacity that is available.

Chairman O'Flaherty asked for clarification the new convenience store going in out there doesn't really have an impact on this lift station.

City Engineer Almborg stated no, they are going to pump into our gravity fed main.

Member Rivero moved to recommend approval for the City Attorney Cahoon to draft a written agreement with White Pine County to address the associated costs with the lift station. Member Marquez seconded the motion. The motion carried unanimously.

4. Board Members – City Clerk Lee – City Engineer Almborg – Discussion/For Possible Action – Recommendation of Prioritizing and final Selection of CDBG project(s) for the 2024-2025 Program Year application submission; the City's eligible projects include Morley Avenue Water-Sewer Project for \$895,500.00; Stevens-Orson Sewer Project for \$637,400.00; Central Ely Drainage Improvement Project for \$426,700.00; and 7<sup>th</sup> St. Drainage Improvement Project for \$251,600.00.

City Engineer Almberg stated these are CDBG projects that we obviously reach out for the public to come in and provide input of what projects they may think or would be needed in the community. These are the final four projects here and we are looking to you guys for recommendations that we can pass on to the City Council and get their final recommendation of what we can submit to CDBG for possible applications and projects. We can apply for two projects in the City.

City Clerk Lee stated it is around \$2 million in funds that are available for the State.

City Engineer Almberg stated my recommendation to consider for the number one priority is the Central Ely Drainage Improvement Project. This last summer the waters that comes off of Squaw Peak and crosses the railroad tracks causes some major mud cleanup and really impacts some of those houses that are right there in that area. These improvements aren't necessarily going to stop everything that we're proposing here, but it would contain that more in our street and reduce what was potentially impacting these properties. This would actually benefit the city as well because those guys were out there this last summer for a couple of days, each time cleaning the street up, trying to get all the mud and debris off this road. The other one that is a problem for the City is Morley Avenue. They're up there a lot of times because the sewer is backed up because it's a small line and also very old. Morley Avenue could use some improvements to their water too. Their water pressures are marginal because they're so high up on the hill and so we anticipate some type of booster pump to provide pressurized water, and higher pressure up to these houses. That would be my recommendation from discussions with the City and the public.

Chairman O'Flaherty asked on the Morley Avenue Project how many residents will this affect?

City Engineer Almberg stated I believe it would affect five homes.

Chairman O'Flaherty stated on the Stevens-Orson Sewer Project there's probably more people per capita that would benefit from that.

City Engineer Almberg stated yes, there's definitely more people down in that area. Our current project we have with CDBG that we are just getting finalized and will be out for bid shortly is a sewer project down there in the Stevens area. This is just an expansion of that. The other thing that's going on in that area is the City does have an earmark they received down there, and so there is going to be not only the CDBG phase coming up this summer, but they'll be followed up with an earmark phase right after that which is quite substantially larger than this one. Central Ely will be getting some improvements in the next two projects that the City is doing.

Member Rivero moved to recommend approval of prioritizing the Central Ely Drainage Improvement Project for \$426,700.00 as first priority and the Morley Avenue Water-Sewer Project for \$895,500.00 as second priority. Member Marquez seconded the motion. The motion carried unanimously.

5. Board Members – City Clerk Lee – Discussion/For Possible Action – Recommendation for approval to remove past due utility fee penalties up to the amount of \$3,513.73 from 37 Second Street, McGill, Nevada at the request of Property Owner, Robert Cluck and Radu Dumitrescu.

City Clerk Lee stated this property was inherited and the principle was paid in full and requesting the penalties be waived.

Member Rivero moved to recommend approval to remove past due utility fee penalties up to the amount of \$3,513.73 from 37 Second Street, McGill, Nevada at the request of Property Owner, Robert Cluck and Radu Dumitrescu. Member Marquez seconded the motion. The motion carried unanimously.

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 \$124.90 from 15 Keystone Street, Ruth, Nevada at the request of Property Owner, William Peters.

City Clerk Lee stated the \$499.18 principle was paid and the owner is requesting a waiver of the penalties.

Member Rivero moved to recommend approval to remove past due utility fee penalties up to the amount of \$124.90 from 15 Keystone Street, Ruth, Nevada at the request of Property Owner, William Peters. Member Marquez seconded the motion. The motion carried unanimously.

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

##### **➤ PUBLIC WORKS DIRECTOR**

Public Works Director Cracraft stated the pumps are installed at the lift station, and we're just doing some fine tuning with the floats to get the run times proper. It is installed, and it is running.

Chairman O'Flaherty asked, "Did the final bid come in under \$100,000.00?"

Public Works Director Cracraft stated yes.

##### **➤ CITY ENGINEER**

City Engineer Almborg stated based on your discussion with the CDBG projects, that's one of our top priorities. We're going to take off right away with number one and two priorities after tonight's City Council Meeting. The local tribe is doing some water improvements, and they're trying to get these plans approved through the State. The State's being a little bit of a stickler on some analysis stuff, as far as pressures and stuff are concerned and so I'm working with their engineer on that project, trying to get that through the State and hopefully will make things easier in the future. Our Bell Avenue Waterline Project is basically complete. We went over it with both Carl and Mike,

making sure that we were hitting everything that we wanted to accomplish on that road. We're just finalizing the application Packet, and this will go into the State either Friday or Monday. We're just finalizing things with the Aultman Street Project and that's getting very close; there's just a lot of coordination going back and forth.

Chairman O'Flaherty asked on the NDOT Aultman Street Project are they going to finish phase I that was to be extended farther down past your office?

City Engineer AlMBERG stated yes, phase II is going to pick up where they left off, I'm going to say at Bell Avenue, coming to the west, and they're going to go from Bell Avenue to the west all the way to the end of town. They're then going to pick up where they ended at the Outpost Bar, and they're going to go to the NDOT office, so this will complete everything at this point in time.

**5. PUBLIC COMMENT**

George Chachas stated in regard to that housing subdivision that's over there by the Industrial Park, the developer at the time I was dealing with was George Swallow, and they paid for an upgrade on the water and sewer lines. There was also a time when I was mayor, that we put a capital improvement fee on those folks over and above the regular charge to cover the costs of pumping and whatnot. Dave Olson was the city attorney at that time and there was some litigation and I think there was a settlement. I can't remember now, but any fees that were established at that time to take care of the pumping would be over and above the capital improvement charges that we normally charge everybody else in the City. There would be that fee plus the ten for the water, and five for the sewer. If that wasn't done, then you have a problem with that by your staff not keeping up with the times. Mr. Chachas stated ongoing concerns regarding the drainage from the Bath property onto his property; his concern about the two water lines that were taken out of my property next to Napa that he states the City Engineer thought were abandoned, and he would like those lines back to serve the two properties he has there; his request for a complete list of RVs that have been permitted in the City and if they are paying utilities; his concern with discrimination; and he would like equal protection under the law and be able to use his property as others do. Mr. Chachas stated I am really disappointed that you took public comment off after every item and I would like to know why.

City Clerk Lee stated the next meeting is scheduled for January 11, 2024

**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 **8:45 a.m.**

  
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Attest

  
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Vice Chairman