



CITY OF ELY

501 Mill Street Ely, Nevada 89301

City Hall (775) 289-2430

Cityofclnv.gov

ELY MUNICIPAL UTILITIES BOARD REGULAR MEETING

August 14, 2025, 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 8:09 a.m., led in the Pledge of Allegiance, and asked for Roll Call.

Members present:

Chairman John O’Flaherty

Member Ken Ross

Member Tom Stagg

Member Kelly Jackson

Members absent:

Vice Chairman Dale Derbidge

City Officials and staff present:

Councilwoman Melody Van Camp

City Clerk Jennifer Lee

City Treasurer Janette Trask

Public Works Director Mike Cracraft

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): Lena Ocasio, USDA; and Wyatt Cox, KELY.

MUNICIPAL UTILITIES BOARD ATTENDANCE LIST

DATE: August 14, 2025, Regular Meeting

Print name below

George Chalkas
Janet VanCamp

Print name below

2. PUBLIC COMMENT

George Chachas stated on agenda item 3C-1 in regard to the Morley Avenue sewer upgrade under section four and five you are taking out pit-run material and putting in native material. I don't think the compaction is going to be there. You need to leave what's been deleted in number four, and the same with number five; pit-run material, not native material. The compaction needs to be proper. On agenda item C-3, you're to consider a resolution for capital improvement fees on the landfill bill. There's been no study and there's been no concern. I don't know what's going on here. You're talking about a \$2 increase. If you did 5% or 10% at the most, but you're looking at 15% or 20%; CPI is 3.21. City Hall needs to stay within its budget because things are not that good in this community. On agenda item 4, recommendation to approve Resolution 2025-08 regarding rate reviews; what prompts that? What are you short on? I have not heard one thing, and I don't miss very many meetings. On agenda items 5, 6, and 7, you are to consider writing off penalty fees for Mr. Lilly on number 5, Doug Lilly on number 6, and Kelly Gubbine on 7. I'm asking for a copy of the letter that was sent from the City to those folks, as well as Ralph Jones, Tina Templer, Elaine Blackham, Chris Walker, and Jane Montgomery, outlining the terms for consideration to write off penalties and interest on their properties. I wasn't treated the same way and I'm not going to stand for discrimination. I want those copies of the letters. I want to compare them, and then I'm going to file a complaint. Thank you, Mr. Chairman, that's all I have at this time.

Chairman O'Flaherty stated just a point of clarification on your comments, George, there was an addendum on the Morley Avenue project that did address your concerns.

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 Jackson Vote: Unanimous

1. Discussion/For Possible Action –Minutes.

- July 10, 2025

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:

From: Kyle Tate <Kyle.Tate@us.kghm.com>
Sent: Wednesday, August 13, 2025 12:45 PM
To: Jennifer Lee
Cc: Patti Cobb
Subject: Utility Board Meeting 8/14

Good Afternoon Jennifer,

I will be out of town and unavailable to attend tomorrow's utility board meeting. I am providing this email to serve as an updated on "Old Business" Item B1.

Robinson currently has mining activities occurring across all three pits (Ruth, Liberty and Veteran). The following is a breakdown of freshwater dewatering efforts from the South Block:

Approximately 7,400 gpm is being pumped. Of that, ~600 gpm is going into Gleason Creek and the rest is reporting to the Mill for ore processing needs. RW-7P is currently producing approximately 890 gpm that is being distributed into the city water system.

Please let me know if there are any questions or concerns.

Thank you,

Kyle Tate
Manager – Environmental Services



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C. NEW BUSINESS

1. Board Members – City Engineer Almberg - Discussion/For Possible Action – Recommendation to award bid for construction of Morley Avenue Sewer Upgrade Project CDBG Funded Project 24/PF/01, PWP# WP-2025-206.

City Clerk Lee stated Chairman O'Flaherty, for the record, the addendum you referenced was included in the packet material.

City Engineer Almberg stated we had four contractors pick up plans and we had two bids submitted. The low bid was \$399,999.77. There was a \$0.23 cent error in their addition so, it's \$0.23 difference from what was actually put on their bid. Everything was in order, and I recommend awarding this project to Reck Brothers as the low bidders and most responsible contractor.

Member Ross moved to recommend awarding the bid for construction of Morley Avenue Sewer Upgrade Project CDBG Funded Project 24/PF/01, PWP# WP-2025-206 to Reck Brothers LLC.

Chairman O’Flaherty stated I will be abstaining from this item as I was plan holder and I don’t want to have a conflict of interest.

Member Stagg seconded the motion. The motion carried unanimously with Chairman O’Flaherty abstaining.

2. Board Members – City Engineer Almberg – Discussion/For Possible Action – Recommendation to approve Agreement for Reimbursement of Construction Engineering Costs between the State of Nevada acting by and through its Department of Transportation and the City of Ely.

City Engineer Almberg stated this is the reimbursement for this NDOT project that's going on. There was a reimbursement for all the engineering during the design phase of the project, and this is to modify it based on the construction costs and actual bid costs associated with what was reimbursable to the City. Once this is signed, they will reimburse us right away. The City has not been reimbursed since January, so this is important to get back to them.

Member Ross moved to recommend approval of Agreement for Reimbursement of Construction Engineering Costs between the State of Nevada acting by and through its Department of Transportation and the City of Ely. Member Stagg seconded the motion. The motion carried unanimously.

3. Councilwoman Van Camp – City Treasurer Trask – Discussion/For Possible Action – Recommendation to approve Resolution 2025-07, A resolution establishing a Landfill Capital Improvement Fee.

City Treasurer Trask stated after a lot of discussion this is coming before you with the biggest problem out at the landfill being the compactor. The last several years we've spent over \$500,000 in just rebuilding the compactor. We don't have the money to just buy one because they are over a million dollars now. So, this is based off of the theory, kind of like how we did with the water/sewer, implementing a capital improvement fee to be restricted for just capital purchases. We figure we can build that up under restricted funds, so that when we have these bigger costs, there will be money. They're operating fine now for the day-to-day operations, but you're kind of limited right now to the way things are of putting money into bigger capital projects. The equipment is the biggest capital purchase at the Landfill. The City would generate an estimated \$144,000 a year with a \$2 increase for each utility account. It will take a few years to build it up, but it will save us in the future having to get loans or bonds by being able to pay cash.

Member Ross stated so, this is a preemptive move and not needed immediately?

City Treasurer Trask stated yes, this is for future purchases.

Chairman O’Flaherty asked do we have a depreciation fund that you utilize for equipment and so forth?

City Treasurer Trask stated we do, but it is not a million dollars for one piece of equipment.

Chairman O’Flaherty stated the compactor is very essential.

City Treasurer Trask stated yes, it is, and the problem is when it is down it's the wear and tear it puts on the other equipment they're having to use that is not meant to be used to compact.

Chairman O’Flaherty asked what the condition of the compactor is right now.

City Treasurer Trask stated I have it on the assets for another five years.

Public Works Director Cracraft stated it was purchased used years ago and we have put a lot of money into it. It is in good shape right now. I will have more specific information when it is time to make that purchase as this is not something we need to purchase this year.

City Treasurer Trask stated this will be for all equipment out there, not just the compactor. The compactor is just the most expensive.

Member Ross moved to recommend approval of Resolution 2025-07, A resolution establishing a Landfill Capital Improvement Fee. Member Stagg seconded the motion. The motion carried unanimously.

4. Councilwoman Van Camp – City Clerk Lee – Discussion/For Possible Action – Recommendation to approve Resolution 2025-08, A resolution requiring annual utility rate reviews.

City Clerk Lee stated City Engineer Almberg, and I met with NDEP on our Morley Water application, which B.J., Public Works Director Cracraft, and I will be traveling over to Carson City next Wednesday for their board meeting to look at our application, and one of the things that their team told us is NDEP wants to see annual utility rate reviews by the governing board. This puts it in place and is one more thing that we can hand them when we present.

Member Ross moved to recommend approval of Resolution 2025-08, A resolution requiring annual utility rate reviews. Member Stagg seconded the motion. The motion carried unanimously.

5. Board Members – City Clerk Lee – Discussion/For Possible Action – Recommendation to remove past due utility fee penalties up to the amount of \$1,134.20 from 450 Ogden Avenue, Ely, Nevada at the request of Property Owner, Jeremy Lilly.

City Clerk Lee stated Mr. Lilly paid the landfill principal fees in full, and he's asking for a waiver of the penalties.

Member Ross moved to recommend approval to remove past due utility fee penalties up to the amount of \$1,134.20 from 450 Ogden Avenue, Ely, Nevada at the request of Property Owner, Jeremy Lilly. Member Jackson seconded the motion. The motion carried unanimously.

6. Board Members – City Clerk Lee – Discussion/For Possible Action – Recommendation to remove past due utility fee penalties up to the amount of \$6,630.00 from 3733 North HWY 93, Ely, Nevada at the request of Property Owner, Douglas Lilly.

City Clerk Lee stated same situation, he paid the landfill, fees in full. I will note on Club 50 that those landfill fees were building up before he got the property.

Member Ross moved to recommend approval to remove past due utility fee penalties up to the amount of \$6,630.00 from 3733 North HWY 93, Ely, Nevada at the request of Property Owner, Douglas Lilly. Member Stagg seconded the motion. The motion carried unanimously.

7. Board Members – City Clerk Lee – Discussion/For Possible Action – Recommendation to remove past due utility fee penalties up to the amount of \$5,316.91 from 37 Fourth Street, McGill, Nevada at the request of Property Owner, Kelly Gubbine.

City Clerk Lee stated Mr. Gubbine had worked with former City Attorney Cahoon to make payments on the principal. Unfortunately, City Attorney Cahoon hadn't discussed that with City Treasurer Trask, but what took place is he made the payments, and they were distributed across landfill fees and penalties and then when he had made the total payments for his balance at the time he made the agreement it was then placed on an agenda. So, he met that principle balance and is current.

Member Ross moved to recommend approval to remove past due utility fee penalties up to the amount of \$5,316.91 from 37 Fourth Street, McGill, Nevada at the request of Property Owner, Kelly Gubbine. Member Stagg seconded the motion. The motion carried unanimously.

4. CITY DEPARTMENT REPORTS

➤ CITY ENGINEER

City Engineer Almberg stated I met this week with the County's new Maintenance Superintendent, and we had a conversation about the Golf Course well, and the future of this Golf Course well. I also met with the District Attorney's office, and Jeremy Drew, the County's Natural Resource Specialist, and are working through the agreement and early next week hopefully we can finalize it and put that back in front of both bodies for approval. We have been assisting City Clerk Lee with the Trap Club building as she has been working very closely with NDOW for grant funding for this project. Obviously, we

just had our Morley Sewer Project on the agenda today and we will get all this paperwork going based on our approval today, and hopefully that project will get started here in a few weeks after bonds and a contract is in place. The Aultman Project is going very well, and the contractor is doing a good job.

Chairman O’Flaherty asked are they on schedule, behind schedule, or ahead of schedule?

City Engineer Almberg stated I think they're really close to being right on schedule. We meet every Monday, internally with NDOT and the contractor, and based on the things being reported they're pretty much right on schedule. From this last Monday, I think that we are about ten days short of being half of the working days completed for this project, so they're doing pretty well.

Chairman O’Flaherty asked in East Ely are they asphaltting that road this year?

City Engineer Almberg stated I believe that is their intention.

Councilwoman Van Camp asked are they going to wait till everything's done before they put in the streetlights?

City Engineer Almberg stated I am assuming that they will put in those streetlights as soon as they show up. I think those streetlights have a long lead time, and so I don't think they've actually received them yet. They're basically ready to go, and as soon as they get them, they'll pop them up, wire them in, and they'll come on as soon as they possibly can. We also have a CDBG project for this year for our 7th Street drainage. We began work on that and hoping to have that on the street later on this month. It was reported today that 7P is back up and running. There are some issues with the water meter so the City's working with them, trying to get them to come and resolve the issue, because we're just not 100% sure of what's coming through that meter. Sometimes it's saying it's high, sometimes it's saying it's low, and so we're anticipating that's an issue with the meter, and not an issue with the well.

Chairman O’Flaherty stated that relieves some of the pressure on the other pump stations at that point in time.

City Engineer Almberg stated it does, because we're in a heat wave right now and the water use is definitely up there. We've been able to keep up, but having this redundancy or another one online is truly a benefit and a safety factor for us.

Chairman O’Flaherty asked on the Golf Course well as it moves along, what do you anticipate the bidding process and the awarding process to be?

City Engineer Almberg stated if in two weeks we do have approval then I am assuming the County will get back to the bidding process and based on that assumption with the lead time for the equipment and different things my anticipation is obviously, it's not

going to be this fall, but hopefully next spring or mid-summer of next year it could be back online.

Member Ross asked where are we at with the duck pond?

City Engineer Almberg stated the duck pond is not our project, that is a County project.

Member Ross stated we previously talked about the water usage, because of that bleed there.

Public Works Director Cracraft stated they have had a temporary supervisor that didn't want to work with us so we bowed out. I will be meeting with the new Maintenance Superintendent, Cole Burdick, to discuss how we can help.

5. PUBLIC COMMENT

George Chachas stated I want to know if Jeremy Lilly paid the full \$2,261.51, approximately, in order to get the write-off. I want to know if Douglas Lilly paid the full \$9,530.79, approximately, to get the \$6,000 plus write-off. I want to know if Kelly Gubbine paid the full \$6,095.24 in order to get the write-off. I was made to pay in full to get a \$4 refund. I'm not going to be treated different, Mr. Chairman. I don't give a damn who's doing the books, either you replace them and start treating everybody the same or you're at fault just as much as the bigot. Mr. Chachas stated ongoing concerns regarding information on who authorized the water crew to work on the sewer line at 785 Bell Avenue on April 19, 2025; who authorized the \$30,000 + upgrade to Cal Ranch during the Bell Avenue Project and alleges his lines were not put back in as they should be; the sewer problem he took care of at his residence located at 681 Parker; and requested a copy of the letters that the City sent to Ralph Jones, Tina Templer, Elaine Blackham, Chris Walker, and Jane Montgomery outlining the terms for consideration to write-off penalties and interest on their properties. Mr. Chachas stated I want to see your written policy. You don't have that; someone's shooting off the hip and that's wrong Mr. Chairman, that should be established. Part of the problem you have in collecting proper fees is incompetence in City staff. City staff is overblown. When I was mayor, I didn't have half the staff you guys do; something's wrong.

City Clerk lee stated the next meeting will be September 11, 2025.

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 8:44 a.m.


Attest


Vice Chairman