



CITY OF ELY

501 Mill Street Ely, Nevada 89301
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SPECIAL MEETING OF THE ELY CITY COUNCIL

March 30, 2018 9:00 a.m. – Ely Volunteer Fire Hall - 499 Mill Street-Ely, Nevada.

1. Mayor Van Camp called the special meeting of the Ely City Council to order at **9:02 a.m.**, led in the Pledge of Allegiance and asked for Roll Call.

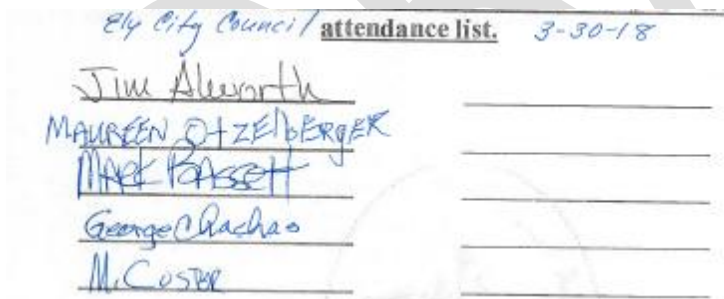
Members present:

- Mayor Melody Van Camp
- Councilman Ernie Flangas
- Councilman Kurt Carson
- Councilman Tony DeFelice joined the meeting at 9:23 a.m.
- Councilwoman Jolene Gardner
- Councilman Sam Hanson

City Staff present:

- City Administrator Robert Switzer
- City Treasurer Janette Trask
- City Attorney Charles Odgers
- City Fire Chief Ross Rivera
- City Street Leadman Dave Berky
- City Parks/Cemetery/Recycling Leadman Mike Cracraft
- City Water/Sewer Leadman Carl Siemer
- Deputy City Clerk Jennifer Lee

Also in attendance: Members of the public signed in (appears below).



2. PUBLIC COMMENT

Jim Alworth stated I'd like to thank you all for having this budget hearing; I feel it's very important for the people to hear how and where their taxes and fees are being spent. In light of the recent car break-ins the Sheriff's reporting in the paper, there are a lot of street lights burned out in this town. A lot of them could just be the photo electric cell. An idea is to have the Sheriff direct the deputies, since they're out all night driving around, to make a list of these lights, so you guys can address the problem. The photo cells are a simple thing, which Cracraft used to check; you put your hand over it and it's easy to fix. In the past, the City had a grant and purchased a bunch of LED lights up on the Terrace and Canyon areas; those lights are expensive up front – at least they were six years ago; they may be a lot less expensive now – but they have a life expectancy of over ten years. The City of Fallon put them in and have not had any street light repairs in over ten years. I think the room tax money is being reserved to improve the condition of the City, whether it's streets or parks; some of this money could be transferred over to fix these street lights. The streets are dark and it's not safe to walk at night. I was recently told that the State Highway Director ordered the LED lights shut off where you come into town at Murry Canyon; I was told it's costing them \$70.00 a month to light the Bypass area.

Maureen Otzelberger stated about the Ping Pong train, the Orson Street crossing needs a light there. People are not used to having a train going back and forth and it's not in the budget.

George Chachas stated at the last meeting I reported there was remodeling being done at 825 Avenue I; Sean Scott was seen working there. I want to know if he has a contractor's license, State business license, commercial location or Home Occupation license. Does he have a City business license? What does he pay for Landfill? He's the same person that screwed up the *Radio Shack* roofing. Still no permit in the window, as required by your ordinance. On your agenda Item 3-1, you're to consider a partnership with the Nevada Northern Railway Foundation; you need to deny this. They have yet to collect any track rental money from *S & S* since they entered into the contract with the City. Mr. Bassett as manager and his wife as bookkeeper/accountant is an intentional violation of the NRS dealing with nepotism, which to date, the Management Board, the City Council have ignored for years. The Railroad has failed to provide public information, in my case going back to October of 2015. The Railroad has failed to provide public information on the crossing at Strandman Street. The Railroad has failed to install curb and gutter on Orson Avenue when the road was repaved and the tracks were covered up; you're pushing the water onto that property at 2135 North Street. They're failing to maintain a crossing where the tracks cross North Street and Avenue C. The Railroad allowed paving over the track on Center Street. Curb, gutter and sidewalk were laid over the walking trail. That trail was installed with a federal grant which was obtained for the City by Kalem Lenord, BLM employee, during my administration. Mr. Bassett has claimed that donors were lined up to donate millions if the Railroad could be removed from under the auspices of the City; not one dime, folks. The Railroad has a terrible record of paying their bills; what has been done to correct that? If this goes through, only the City should be allowed to administer any project in grants. We don't need to get a 'black eye' from the federal government because they're administering the federal grant. There was an accident by *Annies* on 6th Street, where the railing has been damaged; I reported it way over a week ago to the Sheriff's Department, to Jolene . . .

Councilwoman Gardner stated I reported it.

George Chachas stated there's no flagging. Your building inspector is failing in his job. Someone's going to get hurt.

City Administrator Switzer stated just an update on 825 Avenue I; the Building Inspector is aware of the situation and has begun his investigation.

3. ITEM FOR DISCUSSION/POSSIBLE ACTION ONLY OF THE ELY CITY COUNCIL.

1. Mayor Van Camp – Nevada Northern Railway Foundation President Mark Bassett – Discussion/For Possible Action – Approval to notify the Nevada Department of Transportation that the City of Ely, as joint owner of the subject track, agrees to be listed as a partner with the Nevada Northern Railway Foundation on their application to be a sub-recipient of a TA Set-Aside Fund for a Transportation Alternatives Program (TAP) Project to open the track from the Nevada Northern Railway Museum to the White Pine Public Museum and approval for the City of Ely to designate the Nevada Northern Railway Foundation to administer the project and grant.

Nevada Northern Railway Foundation (NNRY) President Mark Bassett stated the Foundation made an application to the Nevada Department of Transportation for what they call a TAP grant. When we did the original reading of the qualifications, it appeared that we qualified. We had submitted a grant of over \$750,000.00 to open up the track from our complex to the White Pine Public Museum. We had run Ping Pong trains there and it was very successful. As part of this grant, we included paving the existing walking trail and perhaps realigning it in places where it's tight. On Monday the applications are all being reviewed. On Monday, I received notice from Nevada Department of Transportation that I need to have a partner, so I contacted the Mayor; hence, it's on the agenda right now. This project would be very similar to the track project we did in 2016. This is federal money that flows through NDOT and if the project is awarded, we can administer the grant or the City can administer the grant. What we need right now is approval on the letter, so we can send this off to NDOT and unfortunately, this has to be in today. If the letter is denied, the grant is dead.

City Attorney Ogders stated my guess is, based on what happened with the last one, that there's going to be an independent audit, that not's part of our normal audit process, that will have to be funded; it may be a fifty-fifty thing to make the Foundation pay for that audit, making it part of your condition.

Councilman Hanson moved to notify the Nevada Department of Transportation that the City of Ely, as joint owner of the subject track, agrees to be listed as a partner with the Nevada Northern Railway Foundation on their application to be a sub-recipient of a TA Set-Aside Fund for a Transportation Alternatives Program (TAP) Project to open the track from the Nevada Northern Railway Museum to the White Pine Public Museum and approval for the City of Ely to designate the Nevada Northern Railway Foundation to administer the project and grant and it also would be responsible to for the cost of any federal audit appertaining. Councilman Carson seconded the motion.

Councilman Flangas asked what are you going to put on North Street or Avenue D for indication that there's trains for any car traffic?

NNRY President Bassett stated basically, just crossbucks.

Councilman Flangas asked is that going to be appropriate?

NNRY President Bassett stated yes.

Councilman Flangas asked are you still encroaching on private property for your walking path by the pizza restaurant?

NNRY President Bassett stated we're going to change the alignment of the walking path. This grant is for opening the track and paving the walking path. One of the questions I received from NDOT was if we can't fund this fully, what is the minimum you would accept? I was going to propose that we accept opening the track and if we can't find funding for the paving of the trail right now, that we would not pave the trail. The entire project will be engineered and I will make sure the engineer checks the land records.

Councilman Flangas stated you should have proper signage at that crossing on North Street.

NNRY President Bassett stated yes and we will.

Councilman Flangas stated there should be some indication there will be traffic on that Railroad. There are signs that have not been put up by the Railroad yet that are demanded it should be done, so you worry me.

NNRY President Bassett asked what signs are you referring to?

Councilman Flangas asked do you have railroad crossings on some of the streets across the railroad track?

City Attorney Ogders asked Mr. Bassett, may I answer that question?

NNRY President Bassett stated sure.

City Attorney Ogders stated about three years ago, we worked with NDOT. That track is currently out of service; there are no crossbucks required on those until they bring it back up to grade.

NNRY President Bassett stated the track under consideration right now is considered out of service; the crossbucks that exist will be coming down and signs will be going up that say "Tracks Out of Service". If the grant is approved, then the "Out of Service" signs will come down, the new crossbucks will go up and I'll come to City Council and say 'Do you want YIELD signs below the crossbucks or do you want STOP signs?' If the grant is approved, all of the crossings will meet current standards for signage.

Councilwoman Gardner stated when the State Highway comes in, they're going to put in that pipe by the Museum; how's that going to affect all this?

City Attorney Odgers stated there's a portion of the storm drain that's going to run parallel with the track; the paving of that, which is in the walkway, would have to occur after the storm drain system is installed.

NNRY President Bassett stated since this is money coming from NDOT and NDOT is also doing the other work, there would be coordination on the two projects.

Councilwoman Gardner asked do they have to cross these tracks right here?

Councilman Tony DeFelice joined the meeting at 9:23 a.m.

NNRY President Bassett stated there is a pipe that has to go underneath the Avenue C crossing. We've had extensive discussions with NDOT on the track and the storm sewer project there; there's a couple of impacts and the major impact is the Avenue C crossing. Other than that, there's a couple of places where we've requested retaining walls because the water gets very close to the track; we wanted to be proactive. In a couple of cases, they're realigning the creek where we won't need retaining walls and I believe there's still one retaining wall left.

Councilwoman Gardner asked who's going to pay to rebuild Avenue C?

NNRY President Bassett stated that's part of the grant.

City Attorney Odgers stated right now the Railroad is responsible for two feet on either side of the track; I don't anticipate, based on what's occurred previously, that outside of that two feet there's going to be any repairs needed to the road.

NNRY President Bassett stated we'll match existing grades there as best we can.

City Treasurer Trask stated as far as running it through the City, I recommend we don't administer it. I think you'll understand when our single audit is on the next agenda; we had a significant finding and a material finding. You guys have that ability, right?

NNRY President Bassett stated yes.

Councilman Hanson's motion carried unanimously.

4. ITEM FOR DISCUSSION ONLY OF THE ELY CITY COUNCIL.

1. Council Members – City Treasurer Trask – Discussion Only – Presentation and review of the Tentative Fiscal Year 2019 Budget.

City Treasurer Trask stated if you look at the General Fund, right now we're ending at just under \$150,000.00, which is about half of where we're starting. So we've got to do some cutting or figuring out where there might be different revenues. CTX, they've put in their final projection and it is a lot better than it has been in the past; you're just under 1.4 million coming in.

Mayor Van Camp stated the animal licenses are low.

City Treasurer Trask stated yes. I would like to see that be switched back to the way it was before, where it runs consecutive with the rabies tags; I feel like that's where we're losing some revenue on those.

City Fire Chief Rivera stated I would like the compact with the Ely Shoshone Tribe renegotiated to include extra for training, if the Ely Shoshone Tribe cultivation facility is approved anywhere.

Councilman Carson stated we could classify it as an impact fee.

City Attorney Odgers stated we would need to amend our ordinance.

City Treasurer Trask stated it's up to the Council to get these things started.

Councilwoman Gardner asked can we change that ordinance then, Chuck?

City Attorney Odgers stated yes. It's my understanding they're just drying at their cultivation facility, not processing it.

City Treasurer Trask stated for Animal Control donations, I'm creating a separate revenue account for those with a corresponding donation expense account; it will show up in our

financials as a restricted amount, so we can use the donations for what they are specified for.
Muni Court: There's been talk about combining Muni Court with Justice Court, but we need to leave it as is until that ever happens.

Councilwoman Gardner stated they take care of themselves, right?

City Treasurer Trask stated we lose money on it. Right now it's about \$20,000.00.

City Attorney Odgers state when the Public Defender's been appointed on the case, I request the client reimburse the City for that.

City Treasurer Trask stated that's always been there. The problem is it's paid out in one lump sum. This is as their payments on it come in, it's never going to be as high as what the Public Defender expense is.

City Attorney Odgers stated right, because not all of them get charged.

City Treasurer Trask stated I didn't budget any revenue for recycling. We've reduced Parks from three full time to two and a half. If you want to put Animal Control back under Parks, you could put part of his wages in Recycling and Mike could use him there. We have Union negotiations on 10th and 11th and I have to have you approve Tentative on the 12th. I would like to at least end the year with what we started. Negotiations with the County aren't going to get in this budget. Moving on to the expenses, if you travel for the Railroad lawsuit, the General Fund's going to pick up 100%. A lot of things got shifted into Admin and I'm pulling them into Finance. I feel like there were things not budgeted in this fiscal year and that's why I've had to do the appropriations. I can drop office supplies for my department.

City Treasurer Trask stated on Finance, I'm hoping *Hinton Burdick* will eventually go down, and they said they would look at it on a quarterly basis. I did put in \$500.00 for traveling because going to the *Caselle* conference is beneficial because they have a lot of new stuff that comes out – that's where we got *Xpress Bill Pay*; if I had to choose next year, I would prefer to go to the PERS conference because every time I've gone to that I've learned something that's been beneficial. We also have \$17,000.00 budgeted for elections next year.

Councilwoman Gardner asked on the Railroad, what about the insurance?

City Treasurer Trask stated I increased it by 15%.

City Administrator Switzer stated the last time we checked it was about \$43,000.00 for liability insurance for the Railroad. When we negotiated the Development Agreement, I advocated that the Railroad pay for their liability insurance.

City Treasurer Trask stated it's up to you guys if you want to amend the Development Agreement for the Railroad to buy their own liability insurance. Muni's biggest expense is the Public Defender and I just paid \$6,000.00; it was suggested a flat fee to pay Kevin.

Mayor Van Camp stated utility fees are going up.

City Treasurer Trask stated I'll have to look at that. Utility fees are going up because of *Mt. Wheeler's* increase in customer fees. The Fire Department went up a lot this year because most of his budget last year was in the Fire Protection/Street Improvement Fund. I've talked to Ross about dropping down Target Safety.

City Fire Chief Rivera stated POOL PACT has a grant for Target Safety.

City Treasurer Trask stated we reduced Fire Prevention to \$200.00. I am asking not to expense anything out of the Fire Protection Franchise fee account except the ladder truck and ambulance loans, so that we can build the ending fund balance up because you always want a year's reserve; we might even legally have to have one year's payments in reserve, I just haven't looked at that.

Councilwoman Gardner stated where does that money come from?

City Treasurer Trask stated that is your electrical franchise fee. With what I'm predicting, the beginning fund balance is \$89,000.00 for franchise fees and expensed out for the loans, you're still only ending that ending fund balance at \$104,000.00 because I'm predicting that we're going to drop down to just under \$65,000.00 for an ending fund balance this year.

City Administrator Switzer stated the snow blower and Durapatcher were paid for by Public Transit funding.

Councilwoman Gardner stated I see that Botelho is retiring; we're not going to replace him?

City Treasurer Trask stated right now I have him budgeted; I could drop it down to a first-time fireman's pay. The next, Public Works: Any portion of engineering that hit the General Fund was going into Admin.; I'm putting it into Public Works. The other big expense in this fund is street lights, to pay the power, repair and maintenance; the question came up if we could switch this to the Street Department and have it come out of the public transit funds. Building Department: The County truck Brad uses needs new tires and has a crack in the windshield. Under the Interlocal Agreement, we're required to maintain Brad's vehicle; the County does reimburse us for fuel. Animal Control: Travel and Training, we did put in \$1,000.00 there for him to get his first level of certification.

Councilman DeFelice asked we're not going to wait for the budget to send him?

City Attorney Odgers stated two different things. This training is a certification on how to interact with, capture and dart animals. The euthanasia you're talking about he'll be doing April 5th. On the euthanasia, it might be more efficient for us to contract with Doc. Sanders. We put down twelve to fifteen animals a year.

City Treasurer Trask stated we're not budgeted for that.

Councilwoman Gardner stated the euthanasia class he's going to, someone's paying for that.

City Treasurer Trask stated I did not budget for us to do injection euthanasia. Mike has agreed to wait another year on sprinkler systems and fertilizer.

City Parks Leadman Cracraft stated so we can get some employees. On Bianchi, we were going to finish off that fence.

Councilman Carson asked Mike, I know you cut out fertilizer, but what about dandelions?

City Parks Leadman Cracraft stated I always used weed and feed.

Mayor Van Camp stated put the fertilizer back in.

City Treasurer Trask stated the recycling is in the Landfill budget, so we could hire another person there to handle recycling and that would give you another person to help at the gate.

Councilwoman Gardner asked full time?

City Treasurer Trask stated full time; that would bring Mike and his people a hundred percent back into the General Fund. I'll put \$1,500.00 back in for fertilizer. I'm assuming you want fertilizer back in for the Parks?

City Parks Leadman Cracraft stated yes.

Mayor Van Camp stated and the Cemetery.

City Treasurer Trask stated yes. We will not be appropriating any funds out of his budget next year because we've cut him enough. This year we show some revenue in the Railroad fund.

City Attorney Odgers stated that's because we got a check for \$6,000.00.

City Treasurer Trask stated yes, and it's a split between us and the Railroad. Is that something that we get every year?

City Attorney Odgers stated no.

City Administrator Switzer stated it was just a one-time thing.

City Attorney Odgers stated as Ms. Vaeg said in her deposition, it was sent to us by mistake, but since we cashed it, they weren't going to try and get their money back.

City Treasurer Trask stated what I've got now, that's what comes up with the Ending Fund Balance of about \$150,000.00; with some of the adjustments that I'm going to make, the police one in particular, it will bring it back up. So, we're still shooting for a little over \$100,000.00 to find, either cutting or revenues. In the Street Fund, all his expenses – other than wages and benefits – are reimbursed out of public transit; also RTC funding: I haven't heard anything, so I'm not budgeting for anything. If we should get it, that's easy enough to add later. Right now we've got \$118,000.00 budgeted for public transit.

City Street Leadman Berky stated last year we had budgeted \$168,000.00, which is normal; other than in '17, you guys bought the sweeper. Looking at our income from public transit, we didn't feel that we'd get that \$168,000.00 again, so we brought it down to \$118,000.00, which includes a cushion.

City Treasurer Trask stated he's not buying any big equipment. This budget is just functioning day to day operations.

City Street Leadman Berky stated for fiscal year 20-21, I want to purchase another sweeper on account of the sweeper is on its last 'sweep'; the money I save in public transit is staying in the bank to purchase a sweeper, at your approval.

Mayor Van Camp asked are you getting anything for weed killer?

City Street Leadman Berky stated we did not budget anything for weed killer this year, but we can.

Treasurer Trask stated the flag fund is still short.

Mayor Van Camp stated we discussed that.

City Treasurer Trask stated yes, we discussed just dissolving that and putting it back in the general fund because it's not a special revenue account.

City Street Leadman Berky stated I want to make sure everybody understands that public transit is a separate fund; it doesn't cost the City anything other having to pay the initial cost and then you get reimbursed for it.

City Treasurer Trask stated the problem is the wages and benefits. We don't get enough road tax revenue.

Councilman Flangas stated diesel fuel tax funds should come directly to the City, the point of origin.

City Treasurer Trask stated we get gas tax of 1% and that's set this year at \$29,593.00. We get a gas tax of \$1.75, \$13,889.00, so we're almost \$10,000.00 less than we're expected to get this year. The \$2.35 has stayed consistent for years.

City Street Leadman Berky stated \$2.35 has stayed consistent and we got \$123,928.00 for years.

Councilman Flangas stated it would behoove us to check the law out and make sure we're getting our share.

City Street Leadman Berky stated at my next RTC meeting, I'll check that for you Ernie.

City Treasurer Trask stated all court funds are to be used at the court's discretion. The Redevelopment Fund continues to grow and can only be used for certain things; if you're ever planning on doing something with that, I need to know to put a budget in there, so I don't have to augment it later.

Councilwoman Gardner asked we still owe for the building, the Fire Department?

City Treasurer Trask stated yes and that's coming out of the Capital Improvement. Your revolving loan is the same thing and it's just earning interest on what money's in there; there is a negative cash flow showing in that and McKay's working on figuring out why. Your Capital

Improvement: You're getting revenue from the County and the room tax; at the end of February, we had \$110,000.00 in there for this fiscal year. The Capital Outlay is strictly those funds I've been talking about: The Fire Department, the Cemetery, Parks and Animal Control and the Fire Station loan.

Councilwoman Gardner stated that Room Tax went up . . .

City Administrator Switzer stated I think it's 2.5% now. It's reaching our maximum, I believe

City Treasurer Trask stated this fiscal year we're going into, it goes up by half a percent. With the Water/Sewer, there was the whole thing about not doing capital improvement projects due to the NDOT Aultman project coming up.

Councilman Carson stated was there \$30,000.00 for hot mix?

City Water/Sewer Leadman Siemer stated that could be high; I based that on the *Cove* job and could probably cut that down. It's not cheap anymore; he's \$7.25 a sq. foot on his asphalt. We've got \$10,000.00 for cold mix. I think the Dura Patch will help on some of our patches.

City Street Leadman Berky stated you could probably lower cold mix down to about \$7,500.00.

Councilwoman Gardner stated cold mix to me is a waste of money because it doesn't last.

City Water/Sewer Leadman Siemer stated pressure reducing valves/clay valves: I like to have money there in case one goes out because it's a very important part of the operation. The State mandates that we have to have the chlorine pumps in all of our well houses.

Councilman Flangas left the City Council meeting at 11:19 a.m.

City Water/Sewer Leadman Siemer stated we need to add our invoice for the SCADA system on our tanks/wells because the bill is \$7,324.00.

City Treasurer Trask stated okay. We do have \$10,000.00 sitting in there for outside labor and contractors.

Councilwoman Gardner stated on the water testing guy from Wendover . . . I'm just wondering about Raul; how does he get paid?

City Treasurer Trask stated he's split between the Waste Water Treatment Plant and the Water Department, under Services; I've got him at \$5,000.00 for each, which includes his fee and the travel he charges us for.

Councilwoman Gardner stated you need to get to where you have that license; that would sure save us a lot of money.

City Water/Sewer Leadman Siemer stated my college course is done. I take my test in June.

City Treasurer Trask stated as far as Capital Improvement, NDOT is starting on the Aultman project in the next fiscal year; so, I had B.J. give us a price on what he figured. Capital Outlay: Carl is asking for a new service truck and a new Mini X, which would be an 80/20 split between the Water Department and the Sewer Fund.

City Water/Sewer Leadman Siemer stated the Mini X would not be new.

City Treasurer Trask stated it's a new used.

City Water/Sewer Leadman Siemer stated a new one would run you around \$80,000.00.

City Treasurer Trask stated so it's about \$30,000.00.

City Parks/Cemetery Leadman Cracraft asked would the old one come to the Cemetery?

City Water/Sewer Leadman Siemer stated yes.

Councilman Carson stated we don't have any projects going. Why do we have \$15,000.00 for engineering?

City Treasurer Trask stated it's going to go up to \$5,200.00 a month; that's got to get expensed out. There might be a little bit I put in there for the Aultman project.

Mayor Van Camp stated on supplies, you've got a line locator.

Water/Sewer Leadman Siemer stated just what we'd save in asphalt on some of these digs, it would be worth it; we'd use it on a weekly basis.

Mayor Van Camp asked what does a new one cost?

City Water/Sewer Leadman Siemer stated \$3,465.00. The cement mix is the cement mixer. As some of you may know, Tony Locke's concrete prices have skyrocketed and we're looking at a way for us to mix our own cement; if we don't order four yards or more, he nails us, and most of our pours are less than four yards. If we have the mixer, we could get out within two weeks and not be saving a bunch up to get with *J & M*.

City Treasurer Trask stated Bob, you had said something about, instead of getting a brand new one, just taking one he's got now and equipping it.

City Administrator Switzer stated we could take the best existing vehicle and convert that to a utility truck, adding racks to the back of it to haul pipe on top, adding extra compartments, etc.

Councilwoman Gardner stated yes, but how old are those trucks?

City Water/Sewer Leadman Siemer stated they're old. The only truck we could do that to is the one the guys drive, that's a ¾ ton. I one I 'speced' out is a one ton. That truck doesn't have the crew cab. This truck has a crew cab to put your locators and maps behind you, so they're not out in the weather getting wet.

City Attorney Odgers stated we participate in the State fleet purchasing, same thing we did with the fire truck; so, you may be able to get a less expensive one through that program.

City Water/Sewer Leadman Siemer stated we've already actually 'beefed up' the springs on that service truck. The goal is to have a truck set up so that when we have a water leak, 99% of the stuff we need is on that truck: You have your compressor, pumps, other tools and fittings.

Councilman Carson asked what year is that truck you drive now, Carl?

City Water/Sewer Leadman Siemer stated it's a 2004. The one I drive's got 181,000 miles on it.

Councilwoman Gardner stated the one you drive's not the service truck.

City Water/Sewer Leadman Siemer stated no. I keep some parts on there. The other service truck is a 2011/2012. If we got this other truck, the truck I drive would be a spare.

Councilwoman Gardner stated sounds like a good idea to me.

City Administrator Switzer stated Carl, this was through a private dealer, is that right?

City Water/Sewer Leadman Siemer stated yes, it was a dealer out of Arizona.

City Treasurer Trask stated Sewer: This one doesn't have as big of an expense. It still gets hit with the quarter percent for general expenses, supplies, postage, services, insurance expense, utilities, repair maintenance and engineering. I put \$15,000.00 here because in Capital Improvements there's a portion for Aultman and they're asking for a new sewer line on Crawford.

City Water/Sewer Leadman Siemer stated when they did the sewer line across Keith Carson's property, that was part of that project; there's a manhole at the very end of Crawford and one at Orson. Right now that manhole runs across Carson's property; we have to abandon that and run it to our own manhole.

City Attorney Odgers stated Mr. Carson, I'm going to advise you to stay out of this conversation. In the settlement of the lawsuit with Keith and Paula Carson, the City agreed that within five years of installation of the sewer main across the Carson's property, where we straightened everything out, that from Crawford to Stevens we would install a line to connect that, so that the sewer coming out of Crawford would end up going down main and no water going down the eight inch main that was across Mr. Carson's property; we're on year three of that contract.

City Water/Sewer Leadman Siemer stated I figured this year, since we don't have any big capital construction projects going on.

City Treasurer Trask stated on the Waste Water Treatment Plant, he has his regular supplies, a little over \$18,000.00; Services, a little over \$13,000.00; Travel/Training; Licensing fees were definitely under budgeted and we got a better handle on that, so there's \$67,500.00; and Repair/Maintenance at \$23,500.00.

Councilwoman Gardner asked is that enough?

City Treasurer Trask stated the FY17 year they only spent just under \$10,000.00.

City Administrator Switzer stated the maintenance overall charges should improve with the aeration system, although we have other components that give us chronic problems.

City Treasurer Trask stated we have down for Screw Pump Failure, Blowers . . .

City Waste Water Treatment Plant (WWTP) Leadman Ashby stated on that Screw Pump Failure, we didn't anticipate that pump going down; it's out of warranty. We're not going to know what damage's been done up at the drive, until we get this other bearing.

City Treasurer Trask stated I've got repairs for the centrifuge, aerator failures. For Capital Improvement, he's asking for re-roofing of the screen/waste pump room and to purchase two drives on aeration blowers. Water testing is at \$5,000.00; you've got something coming up this next year, right?

City WWTP Leadman Ashby stated right.

City Treasurer Trask stated the Water Testing is up from prior years and the current year.

City WWTP Leadman Ashby stated on these Capital Improvements, I've done a lot of research on how to keep our mortars from pumping down on the aeration basin and I think the best way is with a drive, running it off my DO; it's a \$12,000.00 drive.

City Treasurer Trask asked do you want it in there?

City WWTP Leadman Ashby stated we don't know until we get the plant back up and running.

City Administrator Switzer stated before we invest in drives, we need to make sure our plant is operating the way it should be. Oxygen counts are going to change because of the way the aeration system is operating, so we need to make sure we have the right amounts of bugs in our system.

City WWTP Leadman Ashby stated I agree with that. We had it up for three months and then the pump went down.

City Treasurer Trask asked do you want to leave them there in case?

City Administrator Switzer stated we could budget for that, but we need to be cautious.

City WWTP Leadman Ashby stated this drive will run both motors; if one goes down, it will take over on the other motor.

City Administrator Switzer stated we could leave it in to be safe, in case those drives are needed, but I would want to take a strong look at it before we pull the plug on that.

Councilwoman Gardner stated it seems like there's always something going on, that sewer plant is going down.

City Treasurer Trask asked do you want to leave that in there?

Councilwoman Gardner stated yes. I don't know what the problem is.

City Administrator Switzer stated it's a system that has valves, mechanical things that are eventually going to wear out. Replacing with the aeration system will help because there's less moving parts; we have two blowers. We also battle things like corrosion because of the environment. There are electrical connections on that control panel.

City WWTP Leadman Ashby stated that was budgeted in also.

City Administrator Switzer stated yes.

City WWTP Leadman Ashby stated I also budgeted \$1,000.00; the ground has all been contaminated through the gasses in the plant, for everybody's safety walking around the plant.

Councilwoman Gardner asked how old is all that stuff?

City WWTP Leadman Ashby stated it started in '92 and then the upgrade was about 2000. The sterilizer for the weeds, I have \$2,000.00 on that; this is something that Lance Gale and I are working on together, due to the fact the livestock out there are playing hell on the fencing around the plant. I've been working all week stretching wire on the bottom to hold it down because cows get underneath that fence and get into the property. I don't know what we can spray around this water, but we got all the weeds burned out around the place right now.

City Street Leadman Berky stated sterilizers are not safe around ground water.

City Attorney Odgers stated let me check with NDEP to see if you can use Ground Clear; if you can spray it around the perimeter, that will keep the cows away as well.

City WWTP Leadman Ashby stated we have repaired the down spout frame on the screen rooms, so it's just the waste pump room roof that's leaking. I had on there the maintenance on our asphalt, resealing that; it's busting up.

City Treasurer Trask stated Landfill: Thomas is gone; he went through and it compares from the FY17 year amounts. Services, he didn't put anything in there for chipping.

Councilman Carson stated that tree pile is big; we need to chip it someday.

City Treasurer Trask stated He might have put something in there for chipping and taken it out, trying to cut his budget; if you want to put something back in there, that's up to you guys. I put metal recycling expense at \$25,000.00; this is under Services and then his 25%. He has \$6,000.00 for water testing. He did put in five days for the Honor Camp. The one that's kind of an unknown is we are creating a budget this year for the Recycling Center; right now we've got it at \$19,000.00, which includes ties for the bales, cardboard shipments, supplies/flyers and in-house employees.

Mayor Van Camp stated at the end of June, we'll have a true count this year on the Recycling. On the wood chipper for the trees in the Landfill, does the City rent the wood chipper?

City Street Leadman Berky stated we contract it out with . . .

City Administrator Switzer stated with Lemich.

Mayor Van Camp stated could we rent a chipper?

City Administrator Switzer stated we used to chip it ourselves, but then we started contracting it out. The last cost from Lemich was \$7,000.00 or \$8,000.00.

Councilman Carson stated NDEF has a chipper; I don't know if they can help.

City Street Leadman Berky stated we had our own chipper, but it was a joint effort between the County and the City; they got the Honor Camp to come in and the convicts threw things in our chipper that shouldn't have been in there. I can check on the agreement because the chipper was given to both of us. The County came over to fix it and said 'You're not getting it back'.

Mayor Van Camp stated we should chip the trees, use it for compost and sell it.

City Treasurer Trask stated he's asking for is a new, used compactor; he's got \$185,000.00 for it. He's also asking for a Landfill service truck with \$50,000.00. He's not planning on any major capital improvements; he's got Culvert/Piping, Rip/Rap Runoff ditch; he's got \$16,000.00 for those two.

City Attorney Odgers asked is the lining for the pond in this year's budget?

City Administrator Switzer stated it's in this year's budget.

City Treasurer Trask stated I've told Tom about this. This project's budgeted in this fiscal year, so it needs to be completed in this fiscal year because if it runs over, I need to adjust the budget. Right now, I've been told that lining will all be completed this fiscal year.

City Administrator Switzer stated yes, that is correct.

Councilman Carson asked is their compactor on its last leg?

City Street Leadman Berky stated yeah.

City Treasurer Trask stated I don't know if you want me to approach Thomas about the idea of another employee and change the way we handle the Recycling.

Councilman Carson stated we should look into it.

City Administrator Switzer stated I will talk to Tom.

City Treasurer Trask stated I would like to be included in the discussion. If there's a chance of creating an enterprise fund for the EMS, that will change the budget for the Fire Department. It would lower the revenues we're paying the County, but it does make us money, so that's money we would be taking out of the General Fund.

City Attorney Odgers stated legally we can do the Enterprise Fund. The ultimate problem is it makes Janette's job more difficult because the firemen who go on EMS runs, their wages/benefits have to come out of that enterprise fund.

City Treasurer Trask stated I've talked to one of the firemen about that and he said all they'd have to do is line item it on their time sheet. The problem is they're not paid hourly, they're on salary. I need to know what your thoughts are.

5. PUBLIC COMMENT

Jennifer Lee stated I was grateful for the discussion on the street lights today. The light below our home has been out for a long time; it was definitely out on November 2nd when our home was broken into and I think that should be a priority. Not only for homes and vehicles parked outside, but for people walking and bicyclists. I'd encourage you to look into if using your room tax is an option and possibly moving maintenance of street lights into the Street Department, so that Public Transit funds can be used.

Jim Alworth stated this is great. This proves that all the department heads have ownership in the budget. Putting animals down: It was a sad thing we have to do that. When the City was doing that with the shots, those two employees came and said 'we can't do it no more', to hold an animal, give it a shot and have it die in their arms; that's one of the reasons we got out of it. Going back to that room tax – there's a lot of money in there - I'd like for you to look at that. NRS allows a city under 100,000 people to use it all in the General Fund; I would like to suggest making an oversight committee on that, such as the Tourism Rec. Board, from different parts of the City. You have a meeting and allocate how much money you want to put out toward bringing people to the area, improving the infrastructure; as the attorney said, that was the design of that. At the same time, still allocate some of that money to the flag on the mountain, fertilizer; it's improving the community, making it look good. The street light thing: Here it is in the paper, the Sheriff's all over in the paper, your attorney's reading it 'Oh my gosh! It's not safe at night time around the City of Ely'. Those LED lights have come down in price: They used to be \$400.00 and Mike would put them up himself; they last forever. Everybody's going to LED, your cars. That money can all come, I believe, out of the Room Tax fund, but you have to have some method of distributing that money. Again, get something from recreation, something from this department, that department, have a meeting, but at the same time if you get into a financial crunch, leave a reserve in there that can be used by NRS to bail out the General Fund; hopefully it won't have to happen. I'd like to thank her for her presentation, but the big issue is how are you guys going to get more revenue? We can cut and cut and cut, but until you've got the revenue to help out here. . . ; so, good luck to you on that, it's going to be tough. Your CTX tax is going to go up again: That has to be negotiated with the hospital district, the County, the School District and then your townships; that usually has to be done by December. Go in there, push and

shove to try to get a little more of your CTX. Diesel fuel tax is not going to be coming into anybody; that's federal money for highways, not for city use.

City Attorney Odgers stated the ordinance that established the process for using the Room Tax Funds does allow for its use on general revenue; it was designed that way. Mr. Alworth is correct. If you needed to use that not just for infrastructure, the ordinance does allow for the budgeting of those funds to be used in the General Fund itself.

City Treasurer Trask stated we do have time, I just need to know what you want to put in.

Mayor Van Camp stated the Sheriff's Department does contact us when lights are out.

City Parks/Cemetery Leadman Cracraft stated it's a labor issue. I'm by myself.

6. ADJOURNMENT: THE MEETING MAY BE ADJOURNED BY APPROPRIATE MOTION OF THE CITY COUNCIL.

Councilman Hanson moved to adjourn the Special Meeting of the Ely City Council at **12:14 p.m.** Councilwoman Gardner seconded the motion. The motion carried unanimously.

MAYOR

ATTEST