



CITY OF ELY

501 Mill Street Ely, Nevada 89301
City Hall (775) 289-2430 - Fax (775) 289-1463

ELY CITY COUNCIL REGULAR MEETING

May 9, 2019 5:00 p.m. – Ely Volunteer Fire Hall - 499 Mill Street-Ely, Nevada.

1. Mayor Van Camp called the regular meeting of the Ely City Council to order at **5:02 p.m.** and led in the Pledge of Allegiance. Mayor Van Camp asked for a moment of silence for Steve Stork who passed away the previous week. Mayor Van Camp asked for Roll Call.

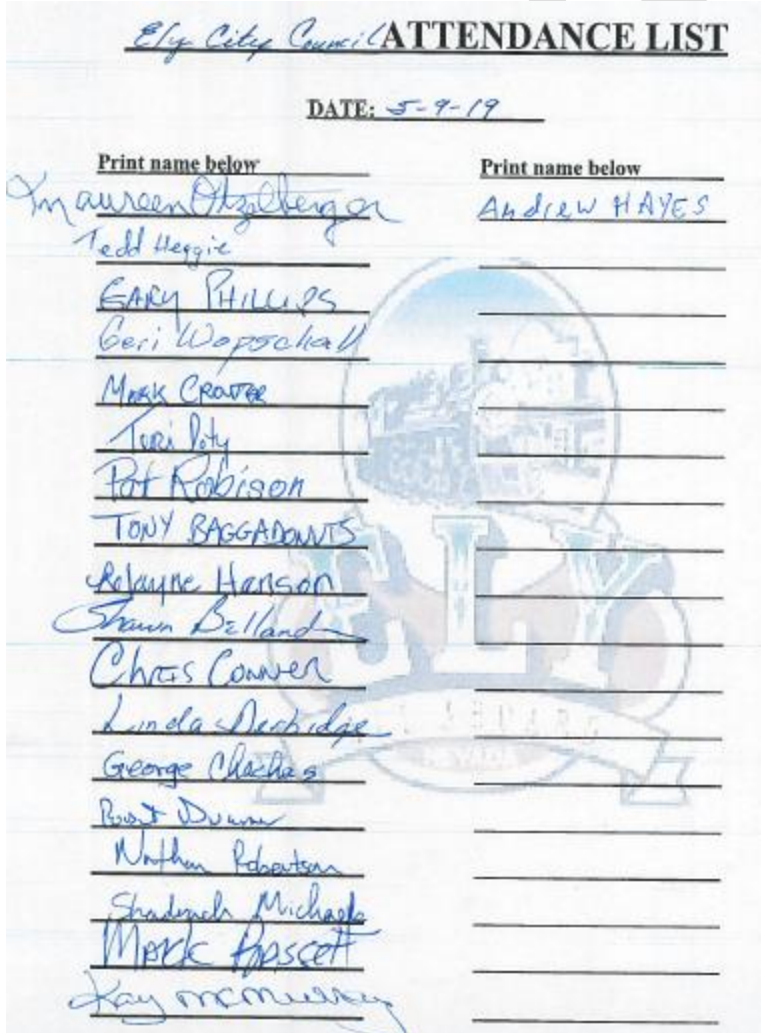
Members present:

- Mayor Melody Van Camp
- Councilman Ernie Flangas
- Councilman Kurt Carson
- Councilman Tony DeFelice
- Councilwoman Jolene Gardner
- Councilman Sam Hanson

City Officials and Staff present:

- City Clerk Jennifer Lee
- City Attorney Charles Odgers
- Public Works Supervisor Cracraft
- Building Official Brad Christiansen
- Police Chief Scott Henriod

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



2. PUBLIC COMMENT

Tony Alferi stated my name is Tony Alferi. I'm the owner of *Corner Tracks Bar, Saloon and Stage*. When I received Mayor Van Camp's letter regarding the 10% increase in our licenses and fees for doing

business, I titled my notes robbery. I want to address the widespread theft of copyrighted materials. In the late 1970's, I was fortunate to be in a group of musicians in Chicago where we recorded jingles. Two of the jingles I recorded were for Coca Cola and Miller Beer; because it was copyrighted material, I received two checks a month for the better part of two years. Last year a discussion was started on Geri Wopschall's social media page regarding having free concerts in the park. I responded to that thread and said doing that without a licensing franchise is illegal. Bill Sanford told me I didn't know what I was talking about. Felina Carter was here last year, bringing bands up from Las Vegas, performing at Arts in the Park, Mr. G's, on the sidewalk in front of Champs and again, no licensing or franchising fees were paid to the people who take care of copyrighted music. ASCAP is one of the companies that monitors licensed material; they fine people and companies up to \$50,000 when they find these operations going on. In the case of having DJs in the City park or Arts in the Park, the fines would probably be higher when this is discovered. I contacted Robert Switzer last year and asked if Felina Carter had a business license to be acting as a booking agent in Ely; he said he would look into that and it went no further. I also advised him of ASCAP's copyright franchise fees and he said he would notify the City Attorney; I don't know if that was done. In the *Ely Times* of April 12th this year there was a headline: "Club Rio raising money for summer musicians"; it says in the end "proceeds will be used for future artists to perform all over Ely like last summer."

City Clerk Lee read White Pine County School District's letter appearing below into the record.

White Pine County School District
1135 Avenue C Ely, Nevada 89301 (775) 289-4851 FAX (775) 289-3999

May 8, 2019

Ely City Council in care of
Mayor Melody Van Camp
499 Mill Street
Ely NV 89301

To Whom It May Concern:

It has come to the attention of the White Pine County School District Board of Trustees that the Learning Bridge Charter School has filed an application for financial assistance with the USDA--Rural Development in order to build a school facility. This letter is provided to the City Council as feedback to be considered as the Council determines whether to issue a "Certificate of Support."

It should be noted that as a "local government unit," the WPCSD was not contacted with the same letter provided to the City to provide any support or feedback. Given that the WPCSD is clearly a "community facility providing similar services," the WPCSD finds this to be somewhat concerning.

This letter is not a criticism of any Learning Bridge staff, personnel, or the school itself. It is merely a statement of "adverse impact" as described in the letter provided to the City. The feedback is coming directly from the local government unit currently experiencing said adverse impact, namely the White Pine County School District, which is a "community facility providing similar services"--education.

The WPCSD experienced a 20% budget reduction in 2016 as a result of the final year of a "hold harmless" provision for declining enrollment. This reduction resulted in the elimination of programs directly serving students: Career and Technical Education programs at White Pine High School, elective programs at White Pine Middle School, specials programs such as music, art, PE and others at the elementary level. Additionally, the community fundraised more than \$60,000 in 2016 simply to keep athletic programs from being cut. To date, few of these programs have been fully reinstated. Those that do exist do so because of grant funding and significant fundraising. The WPCSD's adverse impact continues into 2019 to the tune of approximately \$1.7 million per year.

These cuts and continued impact are directly correlated to the number of students who attend Learning Bridge and are provided education outside of the WPCSD. The \$1.7 million difference

per year is based on the per pupil allocation (including both state and local revenues) provided to Learning Bridge because that is where the students are attending school.

Meanwhile, the WPCSD continues to have fixed costs that must be maintained despite serving fewer students. Transportation and athletics are just two of them. The WPCSD must continue to run the same bus routes each day despite having fewer students. Because this is a fixed cost, it forces the district to make cuts elsewhere. Similarly, running athletics programs is incredibly expensive, yet something the community and parents expect. Despite having \$1.7 million per year less to spend, the district has maintained these programs because they are great for kids. But the cost of running the programs doesn't decrease simply because there are fewer students in the district. Running buses to every corner of the state, paying officials and coaches, purchasing equipment--these are all costs that are fixed (at best--usually they increase each year)--which results, again, in cuts being made elsewhere.

If this adverse impact were not in place, district schools would be able to offer the more robust programs listed above (as well as others) without reliance upon grants and fundraising. These more robust programs would benefit all students, whereas building a new school for Learning Bridge benefits only the students who attend there.

The WPCSD asserts that building a new school for Learning Bridge will continue to have an adverse effect upon another community facility which provides similar services, namely the school district.

It is not the intent of the WPCSD to sabotage Learning Bridge's efforts at providing educational services; but it is the intent of the WPCSD to communicate the negative fiscal impact of operating two different school systems in such a small community.

Respectfully,



Shella Nicholes

WPCSD Board Chair



Angela McVicars

WPCSD Board Vice Chair



Adam Young

Superintendent

George Chachas stated on agenda Item 9B-1, you're to consider possible approval of a support letter for the Charter School's USDA financial assistance application; that needs to be denied because of the adverse impact on other similar community facilities. NRS 268.512 and NRS 268.568 prohibits the City from promoting a private business. If the School District continues to lose students, they continue to lose money and then they come back to the taxpayer asking for more money from those who are facing a 10% increase from the City alone. On Items 8-2,3,4 and 5, you're to consider possible acceptance of the business impact study. An increase of 2% should be considered and no more. You all knew that you were losing your ending fund balance and yet you gave out big raises. You allow double dipping by some of your employees. You need to stop buying dirt roads for \$109,000 that you don't need. The City needs to be paid for 490' of steel pipe. You need to collect the \$60,000 it cost upgrading the water line from Love's to the Charter School. Again, NRS 268.512 to 268.568 stated the City cannot assist a private business, which you did. You need to stop spending over \$9,500 for a dog kennel. Try taxing the cats if you need additional money. You need to stop taking thousands of dollars out of the Street Department fund and spending it on non-essentials. The Enterprise Funds are in good shape. You do not remember taking the \$150,000 out for litigation; the Railroad Museum should be bearing that cost because they created that mess, yet we're paying the bill and you have done nothing to change that board out. On agenda Item 9B-7, you're to consider the purchase of Avenue A for \$108,212; that contract is a joke. When you buy something the former owner should not have any say in what you do with the property, let alone give it back to the former owner because he doesn't like what you're going to do with it, with no compensation back to the City.

Linda Derbidge stated the Charter School is not a private business. It is a State sponsored school and our moving to a new facility will not impact the School District any more than the School has already. We'll have the same number of students. We're just getting a new building.

3. Mayor – Discussion/For Possible Action – Approval of Agenda, including removal of agenda items.

Mayor Van Camp stated I'd like to remove under B New Business, #8 and #9, the City Treasurer interviews/hiring; I would like to postpone those until we have the new mayor and council seated.

City Attorney Odgers stated we're going to withdraw the MOU from discussion for tonight on B-3.

Councilman Carson stated we have been in negotiations with the Union, but they have been making it difficult; I hope it doesn't hinder Ross in his hiring.

City Attorney Odgers asked Mr. Carson, did the County table the Street services?

Councilman Carson stated yeah.

City Attorney Odgers stated we need to remove B-6 as well.

Councilman Hanson moved to approve the agenda minus items 9B-3, 9B-6, 9B-8 and 9B-9.

Councilwoman Gardner seconded the motion. The motion carried unanimously.

4. CITY DEPARTMENT REPORTS

- FIRE CHIEF

Councilman Carson stated I'd like to thank the Volunteers and Ross. They've been so busy they're getting dispatched out of the ER when they're dropping off patients.

- CITY CLERK

City Clerk Lee read the election update appearing below into the record.

ABSENTEE BALLOTS MAILED AS OF MAY 9:	221
PERMANENT ABSENTEE VOTERS AS OF MAY 9:	214
ADDITIONAL REQUESTS FOR ABSENTEE BALLOTS AS OF MAY 9:	7
VOTED BALLOTS RETURNED AS OF MAY 9:	84

- CITY ATTORNEY

City Attorney Odgers stated we had argument today in the *S & S* lawsuit in front of Judge Dobrescu; he ruled on the Discovery motion that we would receive most of what we requested and hasn't ruled yet on attorneys' fees.

- CITY ENGINEER

City Engineer Almberg stated we've been dealing with AT & T, they're removing 22 poles. NDOT is providing fiber conduit on the south end of town. We provided off-peak hours parameters back to our SCADA people. We're very busy with our Aultman project. We worked with Mike this week to create some additional plots in the cemetery area. I want to commend Mike and his guys on cleaning up *Big 8* and the tires.

5. NNRV FOUNDATION REPORT

NNRV President Mark Bassett reviewed his report appearing below and stated the Foundation is holding our own version of the transcontinental railroad re-enactment at 3 tomorrow.



Nevada Northern Railway Foundation

Depot: 1100 Avenue A, Ely, Nevada 89301
Mailing Address: PO Box 150040, Ely, Nevada 89315
Voice: (775) 289-2085 • Web: www.nnry.com • E-mail: info@nnry.com

Monthly Operations Report for April 2019

1. Locomotive Status – Update
 - a. Locomotives in service: #40, #93, #105, #109, #204, #310, Wrecking Crane A & Rotary B.
 - b. Locomotives out of service needing moderate repairs: #45 – We have started repairs on this locomotive.
 - c. Locomotives waiting funding for restoration: Steptoe Valley Smelting and Mining #309, Kennecott 801 and Rotary Snowplow B (for boiler overhaul.)
 - d. Locomotives out of service needing heavy repairs #802, #81, #80 and the military locomotives.
 - e. Locomotive 81's drivers, drive boxes and rods have returned. We are starting the reassembly.
2. Rolling Stock Status – No change
 - a. Passenger equipment in service: #07, #08, #09, Flatcar #23, Coach #5, Baggage Car/RPO #20, Outfit Car #06.
 - b. Passenger equipment out of service: #10, #2 and #05 needing heavy repairs.
 - c. Caboose in service: #3, #6 and #22 are operational.
 - d. Caboose out service: #5



Award Winning Destination

- Best Tour in Rural Nevada – 2017
- Nevada State Treasure – 2013 & 2012
- Trip Advisor Certificate of Excellence – 2017, 2016, 2015, 2014
- Best Preservation Effort in the West • Attraction of the Year – 2012
- Best Museum in Rural Nevada – 2017, 2016, 2014, 2013, 2010, 2009, 2008
- Best Museum - Special Recognition – 2010 • Favorite Nevada Attraction – 2008
- Best Event in Rural Nevada – The Polar Express – 2017, 2016, 2015, 2014 & 2013
- Best Place to Take the Kids in Rural Nevada – 2018, 2015, 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007

3. Track Status – No change
 - a. Keystone Branch is open
 - b. Adverse Branch is open.
4. Buildings Status – Nothing to report.
5. Ridership and Ticket Sales – Updated
 - a. In April we carried 790 passengers. This is up 160 passengers or 25% from the previous year.
 - b. Year to date our ridership is at 1,465 passengers, up 90 passengers or 7% from last year
 - c. Since operations began in 1987, we have carried 290,864 passengers. We should carry our 300,000th passenger sometime in August. Just to review, we carried our 100,000th passenger in 2004 after 17 years in operation. In 2012, we carried our 200,000th passenger in just 8 years. Now we will have carried another 100,000 passengers just 7 years later.
6. Media Report Placements – Update
 - a. AAA Train Story: <https://www.calif.aaa.com/publications/travel/us-destinations/historic-and-scenic-train-rides.html?zip=aaa>

7. Two Spikes Celebration – Update
2019 marks the 150th Anniversary of the completion of the Transcontinental Railroad at Promontory Summit Utah on May 10th 1869.
We are putting together our display in the depot on the completion of the Transcontinental Railroad. On display is the



Copper Spike that was driven in by Mark Requa to signify the completion of the Nevada Northern Railway on September 29, 1906. Also on display is a map of the transcontinental railroad that was custom made for the display by Roger Bowers. It is an excellent illustration of the railroad and the dates of how the railroad progressed.

8. Dirt is getting incredible publicity. He was featured on Bored Panda. We shared that posting to our Facebook page and it reached 212,414 people, 22,740 engagements, 228 comments and 999 shares. Dirt will be featured in a British publication later this month.



6. REPORTS

CITY COUNCIL

Councilman Carson stated the day Steve Stork passed away, I lost a dear friend and a friend to the City of Ely.

MAYOR

Mayor Van Camp read her report appearing below and stated I attended Main Street and the critical housing meeting.

1. I approved Special Event Licenses to:

- **Shorty's Food Truck for track event at W.P. High School track field 4-26-19;**

9. ITEMS FOR DISCUSSION/POSSIBLE ACTION ONLY OF THE ELY CITY COUNCIL.

B. NEW BUSINESS

1. Mayor Van Camp – Discussion/For Possible Action – Approval of support letter for Learning Bridge Charter School's USDA financial assistance application to build a school building.

Linda Derbidge stated it's part of the loan application process.

Councilman Carson moved to approve a support letter for Learning Bridge Charter School's USDA financial assistance application to build a new building. Councilwoman Gardner seconded the motion.

Councilman DeFelice stated Linda is my neighbor.

City Attorney Odgers stated that's not a reason to abstain. Is your wife still their attorney?

Linda Derbidge stated no. She resigned.

Councilman Carson's motion passed unanimously.

7. ITEMS FOR DISCUSSION/POSSIBLE ACTION OF THE ELY CITY COUNCIL AS RECOMMENDED BY THE ANIMAL CONTROL ADVISORY BOARD.

1. Board Members – City Animal Control Officer Hayes – City Attorney Odgers – Discussion/For Possible Action – Approval for City of Ely Animal Control Officer to complete required National Animal Control and Humane Officer Academy (NACHO) Certified Animal Control and Cruelty Investigations Training Module A June 10-14, 2019 in Salt Lake City, Utah.

City Attorney Odgers stated the Animal Control Advisory Board recommended approval.

Councilman Hanson moved to grant approval for the City Animal Control Officer to complete National Animal Control and Humane Officer Academy Module A training. Councilman DeFelice seconded the motion. The motion carried unanimously.

2. Chairwoman Roberts-McMurray – City Animal Control Officer Hayes – Discussion/For Possible Action – Approval of draft Trap-Neuter-Release and Volunteer Guidelines.

Councilman Hanson moved to table Item 7-2. Councilman Carson seconded the motion. The motion carried unanimously.

8. ITEMS FOR DISCUSSION/POSSIBLE ACTION OF THE ELY CITY COUNCIL AS RECOMMENDED BY THE MUNICIPAL UTILITIES BOARD.

1. Board Members – City Attorney Odgers – Shawn Bellander of *Bellander Brothers Land & Livestock* – Discussion/For Possible Action – Approval of Request by Shawn Bellander to have the City take competitive bids to lease Parcels 1 and 2, approximately 1,980 acres, of the Georgetown Ranch.

Shawn Bellander stated Shawn Bellander of *Bellander Brothers Land and Livestock*. I didn't realize this property was up for renewal until I read your minutes from the last meeting. As you know from my letter, I'm interested in bidding on this lease for the Georgetown Ranch. There's room for improvement to a lot of the pastures. The water available could be used more efficiently. Even in drier years, the water could be managed to keep pastures in the best production. We can add some more pastures. We've got 80 acres and could have 160. There's water puddled everywhere. I've got the equipment and manpower to take on this project. The City of Ely isn't receiving enough revenue off this project.

Ted Heggie stated it's easy to see a lot of water this year; it's not always that way. It's our understanding from the April 11th meeting that we were already awarded the lease for the next 5-10 years; we allowed the board to move the lease to July, so it would be aligned with the fiscal year. Other than that, we would have had a lease agreement signed. We've been waiting for a lease agreement from Mr. Odgers and he

hasn't gotten it to us yet. We've already started plans, such as a fencing project with NDOW. In reference to the decision on April 11th, there was talk about the south half coming open two years ago; we were interested in it, but it was not opened up; they leased it to the person that was already leasing it. Therefore, we were ready to keep our lease in the same manner. If this was to be opened up, would that also be opened up again? Would that rescind that decision? We'd like to uphold that decision that was made.

City Attorney Odgers stated on March 14th, the issue came up because the contract was about to expire April 30th. During that discussion I was instructed to re-negotiate a new contract, which I've been working on, but have not completed. I have given Mr. Gale some information on water potential at the north well; I haven't heard back from him on that. On April 11th, I asked you to move the contract to a fiscal year basis. You haven't approved the contract yet.

Councilman Carson stated the Utility Board voted to recommend going out to bid.

Councilman Hanson stated we're opening ourselves up to litigation: If we deny them the use of that property after they've put money into it.

Lance Gale stated in 2017, the City continued a lease with the family that has the south end of the Georgetown Ranch without going out to bid.

Councilman Carson moved to go out to competitive bidding on the Georgetown Ranch lease.

Lance Gale stated when you go to a financial institution to purchase livestock, you can't do it year to year. We've obligated for a long-term loan based on what we were approved for. Our last funding we did was for a three-year project.

City Attorney Odgers stated I'm asking that you amend your motion to let them remain through 12-31-19.

Councilman Carson amended his motion to reflect the same. Councilman DeFelice seconded the motion. The motion carried 3 to 2, with Council Members Gardner and Hanson voting Nay.

2. Board Members – City Attorney Odgers – Discussion/For Possible Action – Acceptance of the City of Ely Business Impact Study regarding increasing utility fees up to ten percent.

9. ITEMS FOR DISCUSSION/POSSIBLE ACTION ONLY OF THE ELY CITY COUNCIL.

4. Council Members – City Attorney Odgers – Discussion/For Possible Action – Acceptance of the City of Ely Business Impact Study regarding increasing business license fees up to ten percent.

City Attorney Odgers reviewed the 2019 Business Impact Study on file at City Hall and stated the business licensing fees haven't been adjusted since 2008.

Councilman Carson stated the Utility Board recommended approval of the 10% with an annual cost of leaving increase. I move to accept the 2019 Business Impact Study regarding increasing utility and business license fees up to ten percent. Councilman Hanson seconded the motion. The motion carried unanimously.

8. ITEMS FOR DISCUSSION/POSSIBLE ACTION OF THE ELY CITY COUNCIL AS RECOMMENDED BY THE MUNICIPAL UTILITIES BOARD.

3. Board Members – Mayor Van Camp – Discussion/For Possible Action – Approval to increase all City of Ely Water and Sewer rates not to exceed ten percent (10%).
4. Board Members – Mayor Van Camp – Discussion/For Possible Action – Approval to increase all City of Ely Landfill rates not to exceed ten percent (10%).

9. ITEMS FOR DISCUSSION/POSSIBLE ACTION ONLY OF THE ELY CITY COUNCIL.

5. Council Members – Mayor Van Camp – Discussion/For Possible Action – Approval to increase all City of Ely Business License fees not to exceed ten percent (10%).

City Attorney Odgers stated you're recommending to me to create the resolutions to identify the new rates with an effective date.

Councilman Carson stated I have a small business in Ely, but this will not impact me any more or less than anyone else.

Mayor Van Camp stated I also have a small business and it will impact me.

The City of Ely is an equal opportunity provider and employer.

Councilman DeFelice stated I have a business here.

Councilman Flangas stated let's take a look at 3% on a perpetual basis for 3 years.

Councilman Carson stated we have had quite a few meetings with USDA on the Waste Water Treatment Plant; they were upset we weren't taking care of it.

Councilman Hanson moved to recognize that a 3% increase will not create a direct or significant economic hardship on businesses. Councilman DeFelice seconded the motion. The motion carried unanimously.

Councilman Hanson moved to approve a 3% increase in business licensing fees each year for the next three years. Councilwoman Gardner seconded the motion. The motion carried unanimously.

Councilman Hanson moved to approve a 3% increase in Water Rates each year for the next three years. Councilwoman Gardner seconded the motion. The motion carried unanimously.

Councilman Hanson moved to institute a 3% increase in Sewer rates each year for the next three years. Councilwoman Gardner seconded the motion. The motion carried unanimously.

Councilman Hanson moved to approve a 3% increase in Landfill rates each year for 3 years. Councilwoman Gardner seconded the motion. The motion carried unanimously.

9. ITEMS FOR DISCUSSION/POSSIBLE ACTION ONLY OF THE ELY CITY COUNCIL.

A. CONSENT AGENDA

MOTION: Move to approve the Consent Agenda item 10A-2 Bills.

Moved by: Councilman Hanson Second by: Councilman DeFelice Vote: Unanimous

2. Discussion/For Possible Action –Bills.

- April 24, 2019
- April 25, 2019
- May 2, 2019

B. NEW BUSINESS

1. Mayor Van Camp – Fire Chief Rivera – Discussion/For Possible Action – Approve Proclamation designating May 19-25, 2019 as Emergency Medical Services Week in the City of Ely.

City Fire Chief Rivera read the Emergency Medical Services week Proclamation appearing below.



EMS Week Proclamation

To designate the Week of May 19-25, 2019 as Emergency Medical Services Week

WHEREAS, emergency medical services is a vital public service; and

WHEREAS, The Ely Volunteer Fire Department and Emergency Medical Services are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and

WHEREAS, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

WHEREAS, the emergency medical services system consists of emergency physicians, emergency nurses, emergency medical technicians, paramedics, firefighters, first responders, educators, administrators and others; and

WHEREAS, the members of The Ely Volunteer Fire Department and Emergency Medical Services, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

WHEREAS, it is appropriate to recognize the value and the accomplishments of emergency medical services providers by designating Emergency Medical Services Week; now

THEREFORE, I Melody Van Camp in recognition of this event do hereby proclaim the week of May 19th- 25th, 2019, as

EMERGENCY MEDICAL SERVICES WEEK

With the theme, "EMS STRONG: BEYOND THE CALL," I encourage the community to observe this week with appropriate programs, ceremonies and activities.

Melody Van Camp, Mayor

Councilman Hanson moved to approve the 2019 Emergency Medical Services proclamation. Councilwoman Gardner seconded the motion. The motion carried unanimously.

The City of Ely is an equal opportunity provider and employer.

6. Councilman Carson – Discussion/For Possible Action – Approval of White Pine County’s proposal to provide Street Services to City residents.

Councilman Hanson moved to table this item. Councilman Carson seconded the motion. The motion carried unanimously.

10. Councilman Flangas – Public Works Supervisor Cracraft – Discussion/For Possible Action – Approval to backfill the Parks/Cemetery Service Worker 1 position with two temporary workers.

Councilman Carson moved to backfill the Parks/Cemetery Service Worker I position with two temporary workers. Councilman Flangas seconded the motion. The motion carried unanimously.

11. Councilman Carson – City Attorney Odgers – Discussion/For Possible Action – Ratification of City Attorney’s decision to create and fill a temporary position of Service Worker in the Water and Sewer departments to effectuate the movement of staff to four 10s before July 1, 2019.

Councilman Carson stated we started this idea to eliminate overtime. I think it will help in maintenance in the water/sewer system. The State will someday not allow Landfill people to check the Waste Water Treatment Plant.

Councilman Hanson moved to ratify the City Attorney’s decision to fill a temporary position of Service Worker in the Water and Sewer departments to effectuate the movement of staff to four 10s. Councilman Carson seconded the motion. The motion carried unanimously.

Mayor Van Camp recessed the regular meeting of the Ely City Council at 6:30 p.m.

Mayor Van Camp reconvened the regular meeting of the Ely City Council at 6:37 p.m.

10. THE MAYOR WILL RECESS THE REGULAR CITY COUNCIL MEETING FOR A MEETING OF THE PROSTITUTION LICENSING AND CONTROL BOARD.

1. Council Members – City Attorney Odgers – Police Chief Henriod – Discussion/For Possible Action – Determination whether to repeal privileged licenses for *Stardust Ranch* or to place requirements upon their licensing.

City Attorney Odgers stated I sent an email to each of you regarding the facts of this case early on. Approximately two weeks ago today I received information from the White Pine County Sheriff’s Office regarding problems they were having with the Stardust. Friday morning Mr. Butell, who is on the phone, appeared at City Hall. Mr. Butell agreed to have a security officer when the Stardust is open to ensure no illegal drug activity. In addition, Mr. Butell offered, on behalf of his client, that they would hire an outside non-working girl to be the manager for the company.

Police Chief Henriod stated we were called down to the Stardust because of illegal drug activity. When deputies got there, we found girls’ cards expired, the bartender’s card expired and one girl who wasn’t supposed to be there. At that point I called City Attorney Odgers; he, Mayor Van Camp and I met Saturday on how to keep the business open. The following day their attorney found out they couldn’t follow that plan, so they shut themselves down.

Councilman Hanson moved to repeal the Stardust’s license.

Allen Butell stated I’m on the phone with the property owner Belinda Galligan. Belinda is the owner of the real estate. On being made aware of the issues before I met with City Attorney Odgers, I started assessing what needed to be done in order to clean house. About 11:30 p.m. at night on Saturday it became evident we were not going to be able to fulfill those obligations. Since that time, we have a new applicant who wants to transition. We have gotten approval for an onsite manager Robbie Kinterknecht, who has been diligent posting No Trespassing signs. As of today, the power is on, all the taxes are paid, everything is current. The new prospective owner of the business is in the meeting. We intend to meet requirements of the health department regarding a reported mold issue. We’ve gotten the place cleaned inside and out.

Belinda Galligan (via phone) stated about five years ago, we had a flood; the place was renovated then by Belfort Restorations. If there was any mold situations, it would have been detected. Previously, the summer prior to the flood, the roof was redone.

Mr. Butell stated the doors are open tomorrow morning at 8:00 a.m. for an inspection. It’s a shame to delay reopening for the Silver State Classic Challenge. We invite oversight and want to be in compliance.

Gary Phillips stated I'm the one that applied for the license there. I live here in Ely. I assure you drugs aren't going to be a problem. The venue invites a lot of outside people to come in. It would be beneficial for the City of Ely to bring in tourism.

Allen Butell stated we're seeking provisional approval to remain open. We could serve our food on the outside even if there was a mold problem. We'll schedule the health inspection as soon as possible; we're going to have a private investigator go in too. Gary Phillips is also there to represent Mr. Mikkelsen.

City Attorney Odgers stated Mr. Butell has addressed every issue we've brought up.

Councilman Hanson stated I still wonder why we need that business when it's a blight on our community. I still reiterate to repeal the privileged license of the Stardust Ranch.

City Attorney Odgers stated Madam Mayor, you don't have a second on the motion to close.

Councilman DeFlice stated I want to add a stipulation moving forward that they have to meet the Health Inspection's approval.

Councilman Carson moved to have the Sheriff and City Attorney come up with rules on the establishment.

City Attorney Odgers stated they needed to have an onsite manager and security officer to remove individuals using or selling drugs. The law requires that all sex workers be licensed.

Councilman DeFelice stated maybe the community would feel better if we put them on probation for ninety days.

City Attorney Odgers stated put them on probation for the year and a year for the new owner.

Police Chief Henriod stated I'd agree with that.

Councilwoman Gardner seconded Councilman Carson's motion. The motion carried 4 to 1, with Councilman Hanson voting Nay.

11. PUBLIC COMMENT

Maureen Otzelberger stated I'm a member of the Planning Commission. We have a hazardous waste situation near the Prospector; two tanks were removed last week, but Lyle Norcross told us two years ago that he would remove those drums.

George Chachas stated in the previous discussions you don't allow public comment. You folks talk about your monies. Your revenues are shrinking because your community is shrinking. I've turned individuals in with no licensing/permits. You want to grow. You shut down the Apacheche Trailer Park. I got a notice recently. I am fed up. Stop the discrimination. You've got people on the Planning Commission who are in violation of your own Code. On Item 9B-6 for White Pine County to provide street services to City residents; that needs to be denied. If Mr. Carson and Mr. Bybee are looking to disincorporate the City, put it on the ballot. You should be proposing to the County to use the old national guard armory for the court house at no more than \$9,000 a month. Downtown is shrinking. You folks have an obligation to buy me out. I noticed City crews working on private property.

City Attorney Odgers stated as I explained to you, we notified *Big 8*; they were given 10 days to clean up. City crews cleaned it up. The new operator is going to pay for it. That's what our ordinances contemplate.

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

Councilwoman Gardner moved to adjourn the regular meeting of the Ely City Council at **7:30 p.m.** Councilman Hanson seconded the motion. The motion carried unanimously.

MAYOR

ATTEST