



CITY OF ELY

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

ELY CITY COUNCIL REGULAR MEETING

July 11, 2019 5:00 p.m. – Ely Volunteer Fire Hall - 499 Mill Street-Ely, Nevada.

1. Mayor Robertson called the regular meeting to order at **5:04 p.m.**, led in the Pledge of Allegiance and asked for Roll Call.

Members present:

- Mayor Nathan Robertson
- Councilman Ernie Flangas
- Councilman Kurt Carson
- Councilman Jim Alworth
- Councilman Sam Hanson

Members absent:

- Councilman Tony DeFelice

City Officials and Staff present:

- City Clerk Jennifer Lee
- City Attorney Charles Odgers
- City Treasurer Janette Trask
- City Building Official Brad Christiansen
- City Fire Chief Ross Rivera

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

Ely City Council **ATTENDANCE LIST**

DATE: 7-11-19

<u>Print name below</u>	<u>Print name below</u>
<u>Geri Wapschall</u>	_____
<u>MAUREEN CZELBERGER</u>	_____
<u>KURT ROBERTSON</u>	_____
<u>Sandra Robertson</u>	_____
<u>Kyle Roerink</u>	_____
<u>DIANE ARVIZO</u>	_____
<u>George Chachas</u>	_____
<u>SHADRACH MICHAELS</u>	_____
<u>Kay Morrison</u>	_____
<u>Mark Bassett</u>	_____
<u>Pat Robinson</u>	_____

2. PUBLIC COMMENT

Kyle Roerink stated I'm Kyle Roerink, executive director of Great Basin Water Network. We are the group leading the fight against the Las Vegas pipeline. I joined the group in December and have been lobbying in Carson City since then to kill some bad bills that I'm sure many of you have heard about. I'd like to tip my hat to the folks of White Pine County and Ely for leading this fight for thirty years. We've blocked the pipeline for thirty years, but the fight still continues. November 12th there are going to be oral arguments at the Courthouse here in front of Judge Estes. Please tell your friends, family and neighbors the war is still being waged. We're here to protect White Pine County for future generations. If you have any questions, please give me a call.

Luchia Garcia asked are there plans for charging stations for electric cars. In Elko, you can plug in at the Red Lion.

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

Mayor Robertson stated Mt. Wheeler was looking at that; they're working with the State. They have one at Sahara Motors.

George Chachas stated I've not seen requests for will serves for the Charter School and the Justice Center; those fees are to be paid up front. At the City Planning Commission held on March 28, 2019, during the discussion regarding Rural Nevada Development Corporation and 795 Avenue I – Steve Saunders, d.b.a. Hey Caribou – City Attorney Odgers spoke on their behalf and no documentation was presented to allow him to do so. My brother has given me documentation that was presented, supposed to be on file at City Hall since February 25, 2010. You've not put me on the agenda for a variance appeal. I'm losing my tenant; this is the fourth one I've lost, due to your selective enforcement. I want to remind you Kathy Smith at the Silver Rio Realty has yet to put in ADA access at the Home Occupation at 651 Campton. The new sidewalk installed in the 400 block of Murry Street does not meet minimum ADA code. On your agenda item 9B-1, you're to consider possible purchase of Avenue A from Ely Securities; have they reimbursed the City for the work that was done on that property? Who put in the manholes in the street? Once the City acquires property, the former owner should have no say what the City does with it. On your agenda item 9B-5, you're to consider appointment of the City Treasurer as Deputy City Clerk. Let me remind you of the memo dated April 18, 2013 in which Treasurer Trask sought and received a \$268,000.00 bailout from the County. My billing has not been corrected yet.

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

Councilman Hanson moved to approve the agenda as presented. Councilman Carson seconded the motion. The motion carried unanimously.

4. CITY DEPARTMENT REPORTS

- **FIRE CHIEF**

Councilman Alworth stated I'd like to compliment your department. You took a call Monday from the Prison; the run took a total of four ambulances, including the Volunteers, and McGill helped by bringing an ambulance.

- **CITY CLERK**

City Clerk Lee stated on the NDOW grant, we've cut a \$349,000.00 check to Schell Creek Construction; the Trap Skeet Club had their 25% match.


- **CITY ENGINEER**

City Engineer Almborg stated I compiled a well report of our water usage and based on that, we're working on a conference call with the State Engineer. We completed the Landfill monitoring well report and turned that into the State. NDOT still has questions about our utilities.

5. NNRV FOUNDATION REPORT

NNRV President Mark Bassett reviewed his June 2019 report appearing below.

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.nnrv.com • E-mail: info@nnrv.com



Monthly Operations Report for June 2019

1. Locomotive Status – No change
 - 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
3. Track Status – No change
 - a. Keystone Branch is open
 - b. Adverse Branch is open.
4. Ridership and Ticket Sales – Updated
 - a. In June we carried 2,019 passengers. This is down 260 passengers or 11% from the previous year. I attribute the decline to the wet, cold weather at the beginning of the month.
 - b. Year to date our ridership is at 5041 passengers, up 6 passengers or about the same as last year.
 - c. Since operations began in 1987, we have carried 294,440 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.

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

6. Media Report Placements – Update

- a. ["Nevada Northern Railway Celebrates 150 Years of Steam-Powered History,"](#) VegasNews.com.
- b. ["Take a train-themed road trip through California and Nevada,"](#) LA Times, Sara Cagle, May 21.
- c. ["Big Boy finds its footing as trip west continues,"](#) Jim Wrinn, Trains. Mentions NNRV sponsorship.

7. We had another movie filmed here by a Mexican production company. The film title is Poderoso Victoria. In English that translates to Powerful Victoria. The story line is similar to ours in that the railroad is abandoned in a small town and the community brings the railroad back to life.

The film crew was here for a week and filmed at the railroad for four days. This was our second major production this year. This was very similar to the A T & T filming that was in February. There crew were here for a week too.

This is an area that could be developed that would have community wide impact.

6. REPORTS

CITY COUNCIL

Councilman Hanson stated I attended the GOED presentation Monday morning and went to the hemp farm, which is huge and running at half of its capacity at the moment; Mark put together a Star Train for everyone involved in that.

Councilman Flangas stated I was given a copy of the interlocal agreements between White Pine County, the Hospital and Ely; we're not getting the benefits we should be deriving and would like to work with Councilman Alworth on it, if he's willing.

Councilman Alworth stated sure.

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

1. Chairwoman Roberts-McMurray – Discussion/For Possible Action – Approval to use a portion of Maddie's Pet Project adoption funds grant to vaccinate every dog entering the Animal Control Facility for Parvo.

Chairwoman Roberts-McMurray stated the Board discussed having an isolation room built.

Councilman Alworth stated have a plan put together with the cost.

2. Chairwoman Roberts-McMurray – Discussion/For Possible Action – Approval to require licensing of cats in the City of Ely.

Chairwoman Roberts-McMurray stated you suggested this item, Mayor. Clark County is the only county that licenses cats. Animal Control Officer Hayes considers it unenforceable and Dr. Eldridge said cats having collars in trees can cause strangulation.

3. Board Members – Animal Control Officer Hayes – Discussion/For Possible Action – Approval for City of Ely Animal Control Officer to complete National Animal Control and Humane Officer Academy (NACHO) Certified Animal Control and Cruelty Investigations Training Module B December 2-6, 2019 in Las Vegas, Nevada.

Chairwoman Roberts-McMurray stated we voted to approve this.

City Attorney Odgers stated I budgeted money for him to attend this.

Councilman Hanson moved to grant approval for City of Ely Animal Control Officer to complete National Animal Control and Humane Officer Academy (NACHO) Certified Animal Control and Cruelty Investigations Training Module B December 2-6, 2019 in Las Vegas, Nevada. Councilman Flangas 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 – Raul Naranjo, City of Ely Water and Wastewater DRC – Discussion/For Possible Action – Approval to implement plan to run each City of Ely well at least once a quarter to verify wells are in good operating order and prevent stagnant water in the well pipes.

Councilman Carson moved to grant approval to implement a plan to run each City of Ely well at least once a quarter. Councilman Hanson seconded the motion.

Councilman Carson stated this passed the Utility Board this morning. B.J. is going to work with Mt. Wheeler Power, so the wells run on off-peak hours; it will freshen the water and make sure our wells are running properly.

Councilman Carson's motion carried unanimously.

2. Councilman Carson – Discussion/For Possible Action – Approval to accept *Stetson Engineers, Inc.* Letter of Engagement for engineering services to identify additional water sources for the City and assist with matters pertaining to City's 2009 agreement with *Robinson Mine*.

Councilman Hanson moved to accept Stetson Engineers, Inc.'s Letter of Engagement. Councilman Carson seconded the motion.

Councilman Carson stated B.J. brought us data yesterday and we're not using as much water as we thought, so Task 1 may not need to happen now. We could get help with Task 2 now. My intent was to use the S & S settlement money for this.

Councilman Hanson amended his motion to only engage Stetson Engineers to assist with matters pertaining to the City's 2009 agreement with Robinson Mine, Task 2. Councilman Carson seconded the motion. The motion carried unanimously.

3. Councilman Carson – Discussion/For Possible Action – Approval of engagement agreement between the City of Ely and *Wolf, Rifkin, Shapiro, Schulman & Rabkin, LLP* to provide legal services with respect to the City of Ely's municipal water resources, negotiations with *Robinson Mine* regarding impacts to the City's water resources resulting from operations of the *Robinson Mine* and development of additional sources of municipal water.

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

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

A. CONSENT AGENDA (These items may be approved in one motion by the Council as its first action of business under For Discussion/Possible Action items.) Approval of the Consent Agenda approves each of these items. Council Members may remove any item from the Consent Agenda by notifying the Mayor or Mayor pro tem.

MOTION: Move to approve the Consent Agenda item 9A-1 Minutes and 9A-2 Bills.

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

1. Discussion/For Possible Action –Minutes.
 - April 3, 2019
 - April 4, 2019
2. Discussion/For Possible Action –Bills.
 - June 24, 2019
 - June 28, 2019

Mayor Robertson stated I will be abstaining from the bills.

B. NEW BUSINESS

1. Mayor Robertson – Discussion/For Possible Action – Pursue identification of property issues involving Ely Securities (Mike Lemich), including designation of a team from the Ely City Council and staff to research the issues, develop an action plan and enter preliminary negotiations with Mike Lemich.

Councilman Hanson moved to pursue identification of property issues involving Ely Securities. Councilman Carson seconded the motion.

Mayor Robertson stated there are a number of property issues with the defunct Ely Securities Company. I'm not interested in resolving Avenue A and have another problem crop up. We're not necessarily spending the money or doing all the work. We need a negotiating committee. Mike has done some of the work already.

City Attorney Odgers stated there's a prescriptive easement there.

Councilman Hanson's motion did not pass, with all Members present voting Nay.

2. Mayor Robertson – Discussion/For Possible Action - Approval to direct the City attorney and building official to research possible legislation for the regulation of short-term rentals, commonly known as air bnb's, within city limits.

Councilman Hanson moved to direct the City Attorney and Building Official to research possible legislation for the regulation of short-term rentals, commonly known as air bnb's within city limits. Councilman Carson seconded the motion.

Mayor Robertson stated there are taxation issues where they're not paying a lot of the same taxes hotels are paying.

Councilman Hanson's motion carried unanimously.

3. Council Members – Nevada Rural Housing Authority (NRHA) Director of Homeownership Programs Diane Arvizo – Discussion/For Possible Action – Approval of Resolution 2019-15 providing for the transfer of the City of Ely's 2019 private activity bond volume cap to the Nevada Rural Housing Authority.

Diane Arvizo with NRHA stated we just did a home ownership event in Steptoe Park. NRHA launched Home at Last in 2006 when Gary Longaker came up with the idea of not sending unused private activity

bond caps back to the State, which would be sent to Las Vegas and Reno. We've helped seventy-three families in Ely. This does not obligate the City in any way.

Councilman Hanson moved to approve Resolution 2019-15. Councilman Carson seconded the motion. The motion carried unanimously.

Mayor Robertson asked Mayor Pro Tem Hanson to chair the meeting for item 9B-4.

Mayor Pro Tem Hanson read Item 9B-4 into the record.

4. Councilman Flangas – Discussion/For Possible Action – Pursuant to 3(b)(vii) of the Development Agreement between the Nevada Northern Railway Foundation (NNRY) and the City of Ely, Provide reasonable notice to NNRY to inspect the records in connection with the NNRY \$200,000.00 loan approved by the Ely City Council on April 4, 2019, including purchase receipts and copies of cashed checks for products/services/repayment to the *First National Bank of Ely*.

Councilman Flangas stated after we approved this, the City of Ely is liable if payments aren't made, which the City shouldn't be. Since it's been approved I request a monthly report on this \$200,000 loan, with a ledger of every dollar spent and a receipt to back it up, on Engine 81 and the rest to be spent on track repairs. I'm in favor of repairing 81 to be an asset.

Councilman Flangas moved to approve this item. Councilman Carson seconded the motion.

NNRY President Mark Bassett stated the loan is between the Foundation and the bank. Three years ago on this very day in this very room the City and the Foundation redeveloped their relationship. Prior to that, the City Council was acting as the Trustees for the Foundation, so any loans the City would have been liable for. At that meeting, the Foundation became its own entity with no ties to the City except the joint ownership of some of the property. The reason we brought the loan to the City Council is because that requirement is in the Development Agreement signed that night. The Foundation is completely liable and has assets not jointly owned which would be liquidated. We plan to have the note paid in full by April 2020. Last November and December, the First National Bank put up a cash pledge that supporters of the foundation matched, so we raised over \$200,000.00 from Thanksgiving until the end of the year.

City Attorney Odgers stated if the Foundation did not have enough assets to satisfy the loan, then the bank would come after the unrestricted assets.

Councilman Alworth stated the City has no dog in this fight.

Councilman Carson stated I feel the same.

The motion failed with Councilman Flangas voting Aye and Council Members Alworth and Carson voting Nay.

5. Council Members – City Clerk Lee – Discussion/For Possible Action – Authorization for City Clerk Lee to appoint City Treasurer Trask as Deputy City Clerk, pursuant to Ely City Code 1-6-2.

Councilman Carson moved to appoint City Treasurer Trask as Deputy City Clerk. Councilman Flangas seconded the motion.

City Clerk Lee stated City Treasurer Trask is a natural choice to be the Deputy City Clerk. She has a working knowledge of all aspects of the City Clerk's responsibilities and if I had a family emergency, she would be more than capable of fulfilling all financial/HR/grant aspects and working with the Public Works Supervisor. She's got a working relationship with all of the employees, has had for a long time, and assisted with every election, including running one election, when she was City Treasurer previously. Since Treasurer Trask started working again for the City, every day she has brought to my attention corrections that need to be made from things that weren't done last Fall, so I appreciate her hard work and hope you will approve this.

Councilman Carson's motion carried unanimously.

10. PUBLIC COMMENT

George Chachas stated ongoing concerns regarding overtime paid in the Fire Department; the Railroad's debt; that the Railroad needs to come back under City oversight because they get tax monies; not yet having received reimbursement for curing a sewer problem at 681 Parker; misbilling; no ADA at 790 Avenue I; the City Attorney discriminating on who is cited; lack of ADA access in the 400 block of Murry Street; and Councilman DeFelice being in violation of fence heights with his new fence. On Item 9B-2, air bnbs need a Home Occupation and to collect room tax.

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

Councilman Hanson moved to adjourn the July 11, 2019 regular meeting of the Ely City Council at **6:18 p.m.** Councilman Alworth seconded the motion. The motion carried unanimously.

MAYOR

ATTEST

DRAFT