

City of Elko)
County of Elko)
State of Nevada)

SS January 28, 2014

The City Council of the City of Elko, State of Nevada met for a regular meeting beginning at 4:00 p.m., Tuesday, January 28, 2014.

This meeting was called to order by Mayor Pro Tempore John Rice.

NOTE: The order of the Agenda has been changed to reflect the order business was conducted.

Mayor Present: Chris J. Johnson *arrived at 4:09 p.m.*

Council Present: Councilman John Rice
Councilwoman Mandy Simons
Councilman Robert Schmidlein
Councilman Reece Keener

City Staff Present: Curtis Calder, City Manager
Delmo Andreozzi, Assistant City Manager
Dawn Stout, Administrative Services Director
Shanell Owen, City Clerk
Dennis Strickland, Public Works Director
Ryan Limberg, Utilities Director
Scott Wilkinson, Development Manager
Jeremy Draper, Civil Engineer
Matt Griego, Fire Chief
Josh Carson, Fire Marshal
James Wiley, Parks and Recreation Director
Doug Gailey, Human Resources Manager
Ben Mangeng, Information Systems Manager
Rick Magness, City Planner
Ted Schnoor, Building Official
Ben Reed Jr., Police Chief
Mark Gibbs, Airport Director
Tom Coyle, Assistant City Attorney
Lorraine Martinez, Accounting Supervisor
Diann Byington, Recording Secretary

ROLL CALL

PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. **ACTION WILL NOT BE TAKEN**

There were no public comments.

APPROVAL OF MINUTES: December 10, 2013 **Regular Session**
 January 7, 2014 **Regular Session**
 January 14, 2014 **Regular Session**

Councilman Keener and Councilman Rice disclosed they were absent for the January 14, 2014 meeting.

Councilman Schmidlein disclosed he had recused himself from the January 7, 2014 meeting.

The minutes were approved by general consent.

I. **PRESENTATIONS**

- A. Presentation and possible approval of the Consolidated Annual Financial Report and Audit for the City of Elko for the Fiscal Year ending June 30, 2013, and matters related thereto. **FOR POSSIBLE ACTION**

Teri Gage with Kafoury, Armstrong & Co. will be in attendance to present the City of Elko's fiscal year 2012/2013 Financial Report. DS

Dawn Stout, Administrative Services Director, introduced Teri Gage and turned the time over to her.

Teri Gage, Kafoury, Armstrong & Co., explained the audit went smoothly. They received a month long extension due to the software conversion. She explained the documents included in the agenda packet. She began with the audit report. Overall the City had a clean opinion in the report. Some items she went over were:

- The Management Discussion Analysis.
- Page 10; the Statement of Net Position.
- Significant changes from the prior year were:
 - a cash increase of about \$6.4 million; room tax was up about \$500,000; and the city received proceeds from land sales for about \$300,000; cash in the enterprise funds increased about \$2.5 million; sales tax has leveled off some without double digit increases as in the past.
- Significant capital projects going on are:
 - The WRF project at the sewer plant; the new computer software package that was about \$400,000; the Main City Park Parking Lot was about \$300,000; there was about \$521,000 spent for public safety vehicles and equipment; \$930,000 in Public Works projects; \$373,000 in Public Works

vehicles purchases; \$100,000 spent at the Cemetery for fencing and equipment.

- At the top of Page 29 is the Statute Compliance Footnote. They reported some statute violations as:
 - There were several funds where the amount budgeted was less than the actual expenditures you had in the fund. They were all very small amounts.
- Page 97; this is the Schedule of Expenditures of Federal Warrants. This shows how much has been received in Federal Funds.
- Page 99; this is where they report any findings in the audit. There were four items noted and all were corrected.
 - 1) land located in the Railroad Relocation Corridor area. From 2000 to 2006 the city has been selling off parcels of that land but the land was never removed from the capital assets.
 - 2) with the city becoming partially self-insured beginning in July 2012 for group insurance, there were two amounts that were not recorded in that fund.
 - 3) when they were testing accounts payable there were two items that were not recorded in the correct year.
 - 4) in payroll processing where longevity payments were paid, two employees were paid incorrectly. There was also a wrong formula being used for sick pay accrual.

Ms. Gage went over the charts and her letter that were included in the packet.

John Carpenter said he wanted the city to put the ARFF firefighters' cost in the Airport budget where it should be. That way you get a true cost. He mentioned the money coming out of the General Fund to pay the firefighters and wanted it moved to the Airport Fund. He thought the money being spent on the Airport litigation had ended but he saw it in the report again. He wanted the city to settle the case because the city is spending more on legal fees than it would cost to settle.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to approve the City of Elko's Fiscal Year 2012-2013 Annual Audit as presented by Kafoury, Armstrong and Co.**

The motion passed unanimously. (5-0)

Mayor Johnson took over the remainder of the meeting.

- B. Presentation and possible selection of a financing method for the construction of the proposed new police station in the amount of \$3,000,000, and matters related thereto. **FOR POSSIBLE ACTION**

The Council approved a site for the proposed new police station at the January 7, 2014 special meeting. The City anticipates having approximately \$3,000,000 reserved for this project as of June 30, 2014. The proposed project is estimated to cost approximately \$6,000,000, leaving approximately \$3,000,000 which must be financed.

There are two methods of financing being considered at this time. The first is a medium-term obligation bank loan with a maximum term of ten years. The second is a proposal to issue General Obligation (Limited Tax) Public Safety Bonds (Additionally Secured by Pledged Revenues) for a term of twenty years. Each method has different requirements and schedules which have been included in the packet for review. Also included for review are the estimated payment schedules. Mr. Andrew Artusa with Zion's Bank Public Finance will be present to review the options with the Council. DS

Dawn Stout, Administrative Services Director, gave a presentation (Exhibit "A"). She introduced Andy Artusa from Zion's Bank.

John Carpenter asked for a copy of the presentation given. He was told that copies of it had been placed in the back of the room. A copy was then handed to him.

Andy Artusa, Zion's Bank Public Finance, went over the two different financing methods. A General Obligation Bond would be the cheapest choice for the City to consider. The steps required to issue a General Obligation Bond backed by Consolidated Tax are: 1) the first step is on the agenda tonight; 2) it notifies the debt management commission to meet to consider the approval; 3) once they approve that there is a 90-day petition period where people can petition the issuance of this bond issue; 4) then we market the bonds but we won't start that process until you are ready to do so. We start this now because it is a long process. It will take about six months to have money in the bank if you start today.

Councilwoman Simons noted the difference between the 10 year and the 20 year loan is a longer time of interest. The difference seems to be about \$1.4 million. If we do the 10 year we are short about \$18,000 a year?

Mr. Artusa answered yes even though he only did estimates. The city may be able to afford it but just in case he put this in here. You can repay a 20 year bond in 10 years. He recommended borrowing for 20 years but pay it off early as you have extra money. You don't want to over promise and under deliver and not be able to make the payments.

Councilman Keener asked if there is a 15 year product.

Mr. Artusa explained under Nevada law you can the maximum of 10 or a maximum of 30. Medium term requires you go out a maximum of 10. If you choose any other general obligation bond backed by a property tax, the law is that you can go a maximum of 30. You can go anywhere between that range. There is a 15 year option but he didn't come with those numbers. He wouldn't be able to give better numbers until the bond issue comes back to an Ordinance, and even then he won't have more solid numbers until the second reading of the ordinance. He gave estimated numbers for a 30 year bond. We can decide the term of the loan later.

Councilman Keener asked about the cost of the issuance being higher for the 20 year product.

Mr. Artusa said they publicly offer that to the bond market. There is a cost in getting a bond rating for the organization. Also because it is offered to the entire market they have to put a disclosure memorandum called an official statement together.

Councilman Schmidlein wanted to make a couple of points. He wasn't allowed to be involved in the selection of the site of the Police Station site and he has some concerns when it comes to that. Where is the breakdown of the entire cost for the new Police Station, site location and everything else? We had proposals from the developers but he wants to see a breakdown of the entire nuts and bolts of all the costs associated with the new police station. Shouldn't we have a total budget before we go into financing?

Mr. Artusa said they won't issue bonds until they have the entire cost. The steps we are doing here do not require you to do anything as far as bond issuance. If the budget comes back higher than anticipated then we will have to start the project over again. These are the estimates we have today. We are not going to issue any debt or obligate the city in any way until we know what those costs are. Typically they need an engineer's or an architect's estimate. This will start the process and we will come back.

Mayor Johnson asked if there was an advantage for the city to estimate higher as a cushion.

Mr. Artusa thought it would be what the city is comfortable with. Once we say \$3 million we are set at \$3 million. We can't borrow any dollar over that at all.

Councilman Schmidlein wanted to bring more up. He wanted to take a step backwards and analyze what was approved at the last meeting and go through this and figure out what is going on. There was a lot of stuff that took place when the rest of council selected the site. He doesn't think everyone knew what they were looking at. He met with the Chief last Friday and handed him a set of drawings that was presented to the council here.

Councilman Rice asked for a point of order. The agenda item is regarding the financing method for construction. If our discussion strays beyond that we are violating the open meeting law.

Mayor Johnson thought Councilman Schmidlein was in line to discuss what he wanted to discuss because the number comes back of how important it is to know what amount the city needs to get the project done.

Councilman Rice noted that Councilman Schmidlein was bringing up the site selection.

Mayor Johnson felt Councilman Schmidlein's discussion was within the agenda.

Councilman Schmidlein asked what is the estimated cost of the development we are going to do on 14th Street. Will that be associated with the Police Station or not? Will the Street Department do the development of 14th Street? He had an estimate of \$250,000. When you get into the Silver Street extension, Capps will add curb and gutter from where they tie into and put it on one side of the road and go to the entire end of the property. But they excluded sidewalk between the daycare and the proposed property. We have sidewalk in there but he estimates \$10 a square foot. Tying onto the end of the existing portion of Silver Street, on the Al Park side, there will be curb, gutter and sidewalk that will have to be put in all the way to the beginning of 14th Street.

You will also have additional paving there. Who will pay for this? Where is it at in the proposal? Regarding geothermal, we can run geothermal but it will cost about \$200,000 to get geothermal out there. He explained the advantage of using geothermal for heating using the Convention Center as an example. He suggested moving the new tennis courts to the Angel Park site and building the new Police Station where the old tennis courts are located in the Main City Park. He felt money could be saved by building at that site.

Mayor Johnson thought Councilman Schmidlein was straying away from the agenda item.

Councilman Schmidlein continued with his argument about geothermal cost savings.

Mayor Johnson asked since the bonding process will take some time, can we run the two in parallel, where we are still studying the site at Silver Street. If something came up at Silver Street where the costs went out the window we can still run the bond process?

Mr. Artusa said yes. They won't pledge the project to the bond holders. They only care about the C-Tax being pledged. Will \$3 million be enough for either site? Starting today we are going out for \$3 million. If not we start the process over.

Curtis Calder, City Manager, said he received the updated estimate of the project. It is at \$6.3 million with a contingency built in. They are comfortable with the \$3 million number.

Councilman Schmidlein added if the city did build the Police Station across the street from here, he felt the city could save almost \$1 million. You can do whatever you want with the financing. He won't support this item because he didn't feel he had good numbers. With the Debt Commission you can call for a special meeting and he knows that because he serves on that board. He didn't see why there was a rush to do this that night because he can't agree with this.

Kimberly Owen, NAI Alliance, asked Mr. Artusa who is underwriting the bond. She agreed with Councilman Schmidlein and she hoped for more discussion on this in the future.

Mr. Artusa answered they are selling the bonds via competitive sale so no underwriter until they are bid on. With the Bond Market there is always a chance your bonds won't be purchased but the City has a high rating and he didn't see an issue.

John Carpenter didn't see how you can make any decision unless you know what is going on before anyone else does. He said he had previously asked Ms. Stout if she had any numbers related to this and she had told him no but now there are numbers that just showed up before anyone had any time to look at them. He felt the County Commissioners approved the increase in the gas tax to improve the streets. That money is going to be taken away and put into the Police Station. People at least need to know what is going on. He said he wouldn't have gotten the information that night if he hadn't asked for it. The Capital Equipment fund is five cents and you are proposing taking away three cents. Will two cents be enough to take care of the equipment that you have? Sales tax is down. If it keeps going down you will be in a world of hurt. You need a Police Station but don't do things you could never recover from.

Mr. Calder said the proposal is to utilize three cents of the Capital Equipment fund leaving five cents in the fund.

Gil Hernandez, 1360 Seventh Street, said he would like to see more on what the city will do in the proposals. He hasn't had any bids showing what the structure will look like. He noted some people won't be around when this gets paid off. He wants to see this get out to bid to see the total costs first. Not everything in town is geothermal and this one doesn't need to be geothermal either.

Councilman Keener commented this is the first time he has seen this report this evening.

Councilwoman Simons thought the five and three cents were brought up in a special meeting but maybe not in this form. A lot of the information about the cost for this building has come from different meetings in pieces. She would like to see all the costs put together on one sheet so everyone could see it. It would benefit everyone that has not had the benefit of the council. She likes the idea of 15 years with the goal to pay a little bit more to pay off early. She doesn't want to strap the city with a 20 year loan. It won't hurt anything to delay the process a few weeks so the numbers could be brought together.

Councilman Rice thought all the points brought up regarding the cost are valid. We need to remember that tonight we are only starting the process. We are not committing to any time frame or hard numbers; we are only starting the process. If we delay this anymore we delay the start of the project. He felt the council has done their due diligence on this project. This has been discussed in Council for more than seven years and it has been looked at very intensely for the last six months.

Mayor Johnson said he has been involved in this process for many years. This room wasn't built because it is a fancy room for the city to brag about. It was built for the city to have every chance possible to converse and understand the issues. The current Police Station was built as a church and because of that layout there are inefficiencies. He wanted to get the bond process started.

Councilman Schmidlein asked in the real world when we decide we want to build our dream home do we go in with an open checkbook without any idea about financing and what we are going to pay. He wanted to wait until the next council meeting and wanted a discussion about building the Police Station across the street. It may change the way we are going to finance. There are a lot of areas we can look at and redefine the payments. If we can save money it changes the approach on the financing.

Councilman Keener said this decision is independent on where the facility will be located. If it were feasible to build across the street then he would be for it. He wanted to start the process and if we can save money then we pay that back quicker. If this gets delayed much further we might miss the construction season on this.

Councilwoman Simons thought the members that voted on this did do their due diligence. There are members of the public that would like to see some numbers and more information. She felt two weeks will not set it back so much that we miss the construction season.

Councilman Rice felt we need to move forward because we are not opening our checkbooks. We are starting a process of learning how we are financing this.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, that we select financing method for the construction of the proposed new Police Station in the amount of \$3 million as recommended by our advisors and we would look at a General Obligation Bond option and the process for that sort of financing begins.**

The motion passed. (3-2 Councilman Schmidlein and Councilwoman Simons voted no.)

After the motion and before the vote, John Carpenter said he didn't know what the bond people were going to go forward with because we don't have a good number. Mr. Calder gave an estimate that was higher. He wanted to know what was going to happen with this motion.

Mayor Johnson asked if the dollar amount needed to be defined.

Mr. Artusa said they would go for an amount not to exceed \$3 million. The city could contribute that difference. There are more steps to this. If you go along this process and find that it is more or less, then we borrow less or start the process over for more money.

John Bailey, 1250 Lamiolle Highway, asked are there costs incurred today that would increase the amount? It would it make sense to have the architect or engineer's estimates and narrow the price down. It makes sense to move forward if these numbers don't matter at this point.

Council voted on the motion.

III. APPROPRIATIONS

- C. Review, consideration, and possible approval of an engagement letter with the Zion's Bank Public Finance to serve as financial advisor for the proposed \$3,000,000 General Obligation Bonds or Medium-Term Financing the City of Elko intends to issue for the construction of the new Police Station, and matters related thereto. **FOR POSSIBLE ACTION**

The City is required to retain a financial advisor for the bonding and/or financing process. Enclosed in the agenda packet is an engagement letter from Zion's Bank Public Finance for the required services. Expected costs associated with retaining a financial advisor, range from \$20,000 to \$35,000 depending on the financing method selected and does not include out-of-pocket expenses such as travel, overnight mail charges and printing. DS

Ms. Stout thought this was self-explanatory since council has decided which direction they want to go. Both bond and financial counsel are paid out of bond proceeds. It is part of the bonding process.

Mayor Johnson asked Mr. Artusa to explain.

Mr. Artusa explained the fees associated.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, to approve Zion's Bank Public Finance as financial advisor for the proposed financing of the new Police Department building.**

The motion passed. (4-1 Councilman Schmidlein voted no.)

- D. Review, consideration, and possible approval of an engagement letter with the Law Firm of Swendseid & Stern to serve as bond counsel for the proposed \$3,000,000 General Obligation Bonds or Medium-Term Financing the City of Elko intends to issue for the construction of the new Police Station, and matters related thereto. **FOR POSSIBLE ACTION**

The City is required to retain bond counsel for the bonding and/or financing process. Enclosed in the agenda packet is an engagement letter from Swendseid and Stern for the required services. Expected costs associated with retaining bond counsel, range from \$53,000 to \$65,000 depending on the financing method selected and does not include the required financial services expertise associated with the bond issue. DS

Ms. Stout introduced Kendra Follett from Swendseid & Stern.

Kendra Follett, Sherman & Howard (formerly Swendseid & Stern), explained what she will provide legal counsel during the bond process.

Councilman Keener asked about the cost for the bond counsel. Is that included as part of the \$6.3 million estimate he was given?

Mr. Calder explained the \$6.3 million estimate was the engineers estimate for probable costs. Here we are talking about financing the \$3 million. The costs for the financial advisor and bond counsel will be above and beyond that financed amount.

John Carpenter said he still doesn't understand what is going on. After you get done paying everyone you will be paying \$6.5 million and you won't be able to finance it.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, to approve Sherman & Howard as bond counsel for the proposed financing of the new Police Department building.**

The motion passed. (4-1 Councilman Schmidlein voted no.)

VII. RESOLUTIONS AND ORDINANCES

- D. Review, consideration and possible approval of Resolution No. 07-14, a resolution concerning the financing of building projects for public safety facilities for the City of Elko; directing the City Clerk to notify the Elko County Debt Management Commission of the City's proposal to issue General Obligation Public Safety Bonds Additionally Secured by Pledged Revenues; providing certain details in connection therewith; and providing the effective date hereof, and matters related thereto. **FOR POSSIBLE ACTION**

If the City Council selects to issue General Obligation Public Safety Bonds to finance the proposed new Police Station, this Resolution is required in order to proceed. DS

Ms. Stout explained Sherman & Howard did write the Resolution for us. On the draft agenda she added the city's number.

John Carpenter said the resolution says, "The principal amount will not exceed \$3 million." What happens if it has to go higher?

Kendra Follett said yes you would have to start the process over.

Councilwoman Simons felt this one does have an actual number but people still want to see more information on that number. She wanted to wait a couple of weeks in order to get the numbers together.

Mayor Johnson noted that the city can elect to pay the difference from a cash source if they want. The city is not limited to just that \$3 million either.

Councilman Schmidlein said once again we continue to not know where we are at with the overall picture. If we need to come up with additional resources we are going to rob it out of another fund.

Councilman Keener said the way he saw it the city is not spending any money. We are initiating the process to pave the way for the project. All these numbers will come in and everyone will have ample time to look at them. At that point in time we will vote go or no-go.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, that we approve Resolution No. 07-14 and C-Tax Revenue Sufficiency Study.**

The motion passed. (3-2 Councilman Schmidlein and Councilwoman Simons voted no.

II. PERSONNEL

- A. Consideration of a request from the Elko Police Department to reorganize staffing, changing the vacant Captain position to one Administrative Assistant and one Police Officer, and matters related thereto. **FOR POSSIBLE ACTION**

A Management and Operations Study of the Police Department was conducted by Matrix Consulting Group and accepted by City Council on May 14, 2013. The Study provided a recommendation the Police Chief should analyze the current roles of supervisors and managers to determine if they are correctly aligned. This was done. It appears the Police Chief needs two Lieutenants and an Administrative Assistant to properly manage the Elko Police Department. The Captain position could be eliminated. Funds from the Captain position could be used for an Administrative Assistant position and one Police Officer position. BR

Chief Reed explained this has been high on his list of things to do since he took office. He gave a presentation included in the packet.

Gil Hernandez, VFW, asked if the administrative assistant would be a trained officer. Also when you have two lieutenants, who would be in charge when the chief is not there? The way the command is demonstrated on the presentation, it looks like the administrative assistant would be next in line after the Chief.

Chief Reed answered one lieutenant would be in charge of one patrol operations division and the other is assigned to be in charge of the detective division and administration. They have their two roles and they already cover for each other. The assistant would not be an officer. That one would be more of a support or secretarial position. That person would answer to me but would support the top end of the organization.

Councilman Keener asked the numbers for the costs, is that based on a starting wage or an average wage?

Chief Reed answered those were based on entry level starting wages.

Councilman Schmidlein asked if the administrative assistant would not qualify for the same PERS benefit as the officers do.

Doug Gailey, Human Resources Manager, answered that assistant would not receive the same PERS.

Councilman Schmidlein understood the two positions vs. the one, but over a five-year period of time, eventually these two positions will supersede what an actual captain would cap out at.

Mr. Gailey answered it would matter on what that officer actually did. If he stayed as a police officer it would stay really close to that number. Chances are he's probably going to get promoted over 20 years. That part is hard to quantify. The administrative assistant has a seven step scale.

Councilman Rice added that as someone advances there will be someone coming in at an entry level rate. It will even out.

Councilman Schmidlein wanted to say he was in favor of this but we have to be careful. One of his goals is reduced spending. If this gets granted then other departments may come in and want to hire more people.

**** A motion was made by Councilman Schmidlein, seconded by Councilwoman Simons, to approve the request to reorganize the staffing change in the vacant captain position to one administrative assistant and one police officer.**

The motion passed unanimously. (5-0)

IX. 6:00 P.M. PUBLIC HEARINGS

- A. Second reading, public hearing, and possible adoption of Ordinance No. 779, an ordinance amending Title 3, Chapter 2, Section 3 of the Elko City Code entitled "General Provisions" hereby allowing temporary emergency shelters within C (General Commercial), LI (Light Industrial) and GI (General Industrial) Zoning Districts, filed and processed as Zoning Ordinance Amendment No. 2-13, and matters related thereto. **FOR POSSIBLE ACTION**

City Staff has been working with a local service provider pursuant to the recently adopted Policy, Procedures and Action Plan for Extreme Cold Weather. Friends in Service Helping (FISH) has a suitable location that has been evaluated by Staff within its complex that could be utilized as an emergency cold-weather shelter; however, the GI zoning does not support that type of use. The City would need to amend its zoning codes to enable the possibility to establish and allow emergency shelters in the C, LI and GI zones via the Temporary Use Permit process, which process permits the City to impose special conditions, such as the time frame during which the emergency shelters may operate. The Planning Commission considered this item on January 7, 2014, and took action to forward a recommendation to Council to adopt an ordinance to approve Zoning Ordinance Amendment No. 2-13. RM

Rick Magness, City Planner, explained this is the second reading. He was looking for approval.

Mayor Johnson asked for public comment with no answer.

**** A motion was made by Councilman Keener, Seconded by Councilwoman Simons, to adopt Ordinance No. 779 as published in the agenda.**

The motion passed unanimously. (5-0)

III. APPROPRIATIONS (Cont.)

- B. Review, consideration, and possible award of the bid for Vehicle Extrication and Stabilization Equipment for the Fire Department and matters related thereto. **FOR POSSIBLE ACTION**

The deadline for submitting bids was 3:00 p.m. local time on Friday December 27, 2013, and four (4) bids were received. MT

Chief Griego explained they did receive four bids. In the bid tabulation the recommended bid is for L.N. Curtis and Sons. They were not the lowest bid. We did consider our staffing levels. All the other products require a large amount of staff to put together. This bid is not hard to put together and can be used by one personnel. Also the stabilization equipment bid was compatible with the current system. The total bid amount was under budget.

Councilwoman Simons thought with the maintenance Curtis and Sons is cheaper.

Chief Griego explained the yearly maintenance is for the life of the tool so L.N. Curtis and Sons would be cheaper.

Councilman Keener asked if this is replacing aged equipment.

Chief Griego answered it is replacing equipment bought back in the 1980's. We will not get rid of the old equipment because it is still serviceable and will be used on the ARFF truck.

**** A motion was made by Councilwoman Simons, seconded by Councilman Schmidlein, to award the bid for vehicle extrication and stabilization equipment for the Fire Department to L.N. Curtis and Sons in the amount of \$35,902.00.**

The motion passed unanimously. (5-0)

IV. SUBDIVISIONS

- A. Review, Consideration and Possible Acceptance of Public Improvements for the Autumn Colors Phase 1 Subdivision, and matters related thereto. **FOR POSSIBLE ACTION**

City Council approved the Final Map on September 25, 2012. An Agreement to Install Public Improvements and a Performance Guarantee was entered into on February 22, 2013.

The Developer has substantially completed the Public Improvements in accordance with the approved plans with a few minor outstanding items. The City is in receipt of the required Certification of the project by the Engineer of Record. Upon acceptance of the Public Improvements by the City Council, the Developer will be required to provide maintenance security in the amount of \$45,309.00 for a 12 month maintenance period. SAW

Scott Wilkinson, Development Manager, explained what we have is some minor issues on the NDOT ROW. NDOT wanted some rocks put in there. He spoke with NDOT and they were fine with moving ahead with acceptance with the maintenance bond being in place. The as-built submittal has been submitted but it does need some correction to fit into the database. He recommended approval with some conditions.

**** A motion was made by Councilman Schmidlein, seconded by Councilwoman Simons, based on the Engineer of Record certification of the project, accept the Autumn Colors Phase 1 Subdivision Public Improvements with the following conditions: a) Security on file with the City of Elko in the amount of \$45,309.00 for the 12 month maintenance period before the map is recorded. b) Final acceptance by NDOT for the State Route 225 improvements. This item is covered under the maintenance security. c) Final acceptance of the As-Built by city staff. This item is covered under the maintenance security.**

The motion passed unanimously. (5-0)

V. UNFINISHED BUSINESS

- A. Continued review, consideration, and possible direction to Staff to initiate the adoption of new building and fire codes, and matters related thereto. **FOR POSSIBLE ACTION**

Council met on November 12, 2013 and directed Staff to present to Council the pros and cons of adopting the 2012 codes and also to check with other jurisdictions, that have adopted the 2012 codes, if they have encountered any negative impacts. TS

Ted Schnoor, Building Official, explained we are coming back again to try to clarify a few things. There are a lot of people in the audience that would like to address this item tonight. Staff was directed to bring back the pros and cons to adopting the 2012 Building Codes. These codes are updated every three years. We are proposing that we would like to establish a six year cycle to make it easier not only for the designers but also the building community and the Building Department. We are making every effort to address any concerns or responses we have received since we have adopted the 2009 codes. With the development of our amendments for this new code we hope to focus and correct a lot of these concerns.

Josh Carson, Fire Marshal, apologized for handing out the letters so late. Many of them were received after the deadline for the agenda. (Exhibit "B") The letters he handed out were from other professionals in the community that had some experience with the 2012 code and their feedback regarding the same. We do have a lot of individuals present that would like to speak regarding the code adoption. The State is also moving forward with adopting these codes. Other jurisdictions throughout the state have adopted these codes.

Lina Blohm, Chairperson of the RAC, said her concern had to do with weed control and cleanliness. Does this adoption of a new code give us the enforceability to take care of these issues?

Mr. Carson answered there are provisions in the fire code to weed abatement but those codes were not changed.

Ms. Blohm thought it appears there needs to be more teeth in the existing codes and go a step further. Does that require more review of codes or another addendum?

Mayor Johnson said there are different options that the city could pursue.

Mr. Carson said the current code will not affect existing buildings. The state was planning to amend that out. There is a huge financial impact in making existing buildings go retroactive with a lot of these requirements. We felt it was in the best interest to the community to not implement those. He felt what Ms. Blohm is looking after is more generalized to the code enforcement field. A code enforcement officer would handle those issues.

Mayor Johnson asked if the current code supports that enforcement.

Mr. Carson said if there are specific items that she would like them to look that they could do that but we have to be extremely careful. We don't want to approach a set of standards for existing buildings that will ultimately aid her but seriously impact somebody else.

Mr. Schnoor said during the research he and the city attorney did, they were looking at a property management code. He was directed to leave that particular code out of this because it will require a business impact statement. The city attorney was interested in that and it covers a lot of maintenance issues.

Delmo Andreozzi, Assistant City Manager, said we do field a lot of concerns about the care of property. We do have a nuisance section of our code under the Police chapter. It has been on our list to address.

Catherine Wines, design professional, supports adopting this. She had heard that the county is only looking at going to the 2009 code but she wasn't sure if that was true. She encouraged the city and the county to be on the same codes. She asked Mr. Schnoor about the energy code. Is that completely separate from the building and fire codes? It was her understanding the 2012 energy code was a bit off the cuff.

Mr. Schnoor said one of the main problems with the 2012 ICC codes is the energy code. There is a problem with it across the country. The energy codes are not practical and not enforceable. He wants to adopt this for reference. He replaced the energy code with a practical R value and U value. We do not need to adopt any of the codes as the council directs us. They are all independent codes. The energy code is referenced 100's of times in the residential codes and the building codes.

Ms. Wines is in favor in going to the 2012 codes but not enforcing the energy codes.

Gil Hernandez, Elko, said he isn't familiar with the codes. He was concerned about not being able to act on this as a city. Whatever the county does is fine because that is County. We are talking about city issues here. He is glad to hear there is some wiggle room where we can adapt the codes. He wasn't sure if a six year cycle on the codes is a great idea because six years is a long time to go without addressing the codes.

Tom Hawkins, Elko, PE, said he has gone through a majority of these codes. The intent of this code for the existing buildings has never been to bring them up to code. The IRC will have a minimum impact. From a design standpoint, there will be significant changes. He is in favor of adopting the code but not the energy code. Six years is also a good timeframe. What will happen with designers is that they will use the new Steel Manual. He is starting to phase out the '05 version of that code. The codes you have adopted right now do not reference that version but with the design criteria it would be like a doctor using leaches. Why would you do that?

Josh Carson said one of the specific things related to this six year cycle is that this is what the state is looking to do. It is also costly to do this every three years. We are looking at adopting the newest code in six years vs. a lag.

John Ellison, Assemblyman and state contractor, said he has spent several hours looking at some of these issues. The state also has had many concerns with the energy code. In this building, on

March 27, you will have a hearing with the Governor's Office. He spent time with Mrs. Nunez with the Governor's Office discussing the complaints coming in regarding the 2012 codes. He likes the new code for the most part but there are some problems with the energy code. He doesn't want council to move forward with the energy code. He has seen some of the code changes coming out in 2015 and they will interfere with what we are looking at right now. Under NRS 701.220 states that even if the state adopts the code it doesn't mean the cities have to adopt the codes at that point in time. He wanted to wait to adopt the energy codes until after the March 27 hearing so we can hear what the state has to say.

John Carpenter wanted something put into the code that if something is not right that it can be changed immediately with a majority vote. With as many pages as there are, written on both sides, something bad will come up. He felt there were too many unknowns in the codes.

Mike Lostra, 930 College Ave, said he provided a letter in the packet. He is in support of adopting the 2012 codes with a regional six year cycle. It is hard with all the different codes around for the designers and the public. If we are all on one code then the reviews go faster and everyone else is on the same page. With the complexity of the codes, designers are turning to software to be faster and more efficient. That software gets updated every year and they phase out the older codes. If you don't continue to adopt our software becomes irrelevant as well. Code books costs can be reduced if everyone is on a six year adoption schedule.

Mr. Schnoor addressed the energy code that seems to be a real burr under everybody's saddle. If we adopt the code to give the designers and the owners of the buildings an option, if there are programs through the government that they need to comply with this then they would have a document they can follow. He handed out a draft amendment for the energy code. (Exhibit "C")

Brandon Palmer, Ormaza Construction, said we pass these costs off to our clients. He was in favor with this adoption with the six year cycle. Once you start adopting the code it takes about a year to gain traction. If you are on a three year cycle you will only get about two years out of that code book.

Councilman Schmidlein thought it was difficult to pinpoint which direction to go. It has been said that the County is only going to 2009. If we adopt 2012 with the energy code changes that Mr. Schnoor is suggesting then we are right back to square one. We need to wait for the county to catch up with the city. We need to be proactive. As an engineer, what will you gain if we go to 2012 and then the county only comes up to 2009? He wants to wait until after the County does their adoption.

Councilwoman Simons thought it is important to listen to the professionals that deal with this every day. It has been clearly spoken that they want to go to 2012 but they want the county to adopt them too. Do we adopt the code changes and pressure the county or should we stay with the 2009 so we can be on the same page as the county? The six year cycle is great.

Councilman Rice agreed that it is loud and clear that we adopt 2012 and that it be regional. Would there be some value to getting with the county that would create a regional adoption plan? We aren't under the gun to adopt something new. Can we get together with the county and see if we can figure something out?

Mayor Johnson felt that process was happening. The best way to do it is let the public work on it and get the design professionals say why they wanted that. If the city moves forward it gives more support to the county. The county has been following what the city does.

Councilman Keener said every contractor he has spoken to was against the adoption of the 2012 codes. He felt the reason was the energy codes attached to it. They would feel different knowing those codes have been suspended. He didn't feel there was any risk in waiting until after the March 27 meeting.

Mr. Carson said this is motion to move forward with our amendment and adoption process. We will not be adopting the codes tonight.

Greg Barker said we heard from the professionals that deal with this and he heard a unanimous voice for adoption of the 2012 codes. They also said they want to be on the same page as the county. If after the March 27 meeting, the county doesn't want to adopt the 2012 codes, would the professionals want us to be the same as the county or 2012.

Mayor Johnson asked the room which they would prefer. Stay the same as the county on 2009 codes or adopt 2012 codes?

The audience seemed to agree that the city should stay on the same codes as the county.

**** A motion was made by Councilman Schmidlein, seconded by Councilwoman Simons, to deny the initiation of adopting the 2012 codes.**

The motion was withdrawn.

After the motion and before the withdrawal, Councilwoman Simons asked if the intent was to table this item until after the March 27 meeting.

Councilman Schmidlein said they would be pushing it back. He wanted interface with the county to see where they want to go.

Councilwoman Simons seconded the motion.

Councilman Rice asked for clarification. Does this preclude us from having conversation with the county and bringing it back for consideration within the next several weeks? Or does this just stop this?

Councilman Schmidlein said they would not be adopting this today. He added to the motion **he wanted to see some interface action between the city staff and the county staff and try to get the two municipalities to get onto the same page.**

Councilman Rice wanted to continue the conversation. The room wants 2012 but they want the county on the same page.

Mayor Johnson asked Councilman Schmidlein to change his motion into a positive motion.

Mr. Calder noted tabling the item would be the simplest solution.

Councilman Schmidlein withdrew his motion.

**** A motion was made by Councilman Schmidlein, seconded by Councilwoman Simons, to table agenda item VI-A for adopting the 2012 building codes.**

The motion passed unanimously. (5-0)

BREAK

- B.** Review and reflection upon Calendar Year 2013 goals and objectives, including discussion of possible goals and objectives for Calendar Year 2014 and beyond, and matters related thereto. **INFORMATION ONLY - ACTION WILL NOT BE TAKEN**

This agenda item is intended to review past goals and objectives as well as elicit discussion and ideas for future projects, land acquisitions, and/or significant capital items for future budgetary consideration. CC

Mayor said this was in the agenda so everyone could hear from other council members.

Curtis Calder, City Manager, said we did include the minutes from the last meeting. We do have those comments from previous year's meetings. We did not include the Master Plan in the packet. Staff would like to remind council as they formulate their goals using the Master Plan as a central focus would be a good start.

Mayor Johnson realized he skipped Item A and wanted to go back to that item.

After the break, Mayor Johnson continued with this item.

Councilman Keener's goals were:

- to see the Police Station project seen through completion in 2014.
- He looked forward to the development and progress at the Exit 298 project.
- He felt it was vital to maintain the infrastructure, including the roads and the golf course irrigation project.
- He wanted to hold the line on new spending as we continue to experience reduced revenues. He is afraid we will see some skinny times in the next year.
- Wish list item would be to see expanded flight options at the airport. He wants to see increased utilization and giving the citizens more choices.
- With respect to the Sports Complex, we all love recreational opportunities for the community but he is concerned about funding the project. He hopes there will be grant money to help.
- Someone mentioned following the Master Plan and he agreed.

Councilman Rice thought we made progress on his items from last year.

- He is committed to having the ground being broken on the Police Station this year.

- He has concerns regarding to matters related to the non-english speaking prostitutes in the area. If we are going to be stewards to the sex trade that we do it as effectively as possible.
- Exit 298 has made good progress and we have taken steps to make that a reality. We work in partnership with NNRDA in regards to Exit 298. We actually got more by-in from board members than we have gotten in the past.
- He is also very interested in the possibilities presented with the development of the new sports complex. He is concerned about how we will pay for it. There have been some conversations that will help address the costs.
- We did budget for streaming council meetings. That equipment has been ordered and he hopes by the next fiscal year our meetings will be streamed live.

Councilman Schmidlein added:

- the 9th Street Pedestrian Bridge needs to be assessed.
- We need to look at the 5 year Capital Improvement Plan and we need to stay focused to that.

VI. NEW BUSINESS

- A. Review, discussion, and possible authorization for the Elko Municipal Court to retain administrative assessments and court facility fees, and matters related thereto. **FOR POSSIBLE ACTION**

A letter from Municipal Court Judge Mason Simons has been included in the agenda packet for review. CC

Councilwoman Simons abstained because she is married to Judge Simons.

Mr. Calder said there was a letter placed on the dais from Judge Simons (included in packet).

**** A motion was made by Councilman Schmidlein, seconded by Councilman Keener, to continue to retain administrative and court facility fees for the ongoing and exclusive use of the Elko Municipal Court.**

The motion passed. (4-0 Councilwoman Simons abstained)

- B. Consideration and possible approval for the Airport to become a test site for the Nevada Institute for Autonomous Systems (NIAS) Unmanned Aircraft Systems (UAS) in regards to the State of Nevada's UAS effort to garner an FAA UAS test site, and matters related thereto. **FOR POSSIBLE ACTION**

NIAS is a state sanctioned non-profit organization leading Nevada's effort to promote Nevada FAA designations as a UAS test state. Existing state resources such as Special Use Airspace, exceptional flying weather and multiple airfield locations over sparsely populated areas provide an environment for accommodating everything from small low-speed aircraft to supersonic vehicles and puts Nevada at the top of the list for researching, developing and testing the latest in UAS technologies.

There is no cost to the Airport to become a test site for the combined FAA/State funded UAS program. Runway 12/30 would be used for this testing at Elko as is ideally suited due to the fact the runway is underutilized by current traffic. With a growing mining, ranching and agriculture industries in Northeast Nevada provides a huge commercial market for aerial remote sensing systems in the coming decade. Geodesy and applied earth sciences research using UAS platforms have brought a wealth of new data about the earth at a fraction of the cost of traditional systems. By designating Elko Regional Airport as an UAS test site, the airport will be ready to accept both military and commercial UAS technology. MG

Mark Gibbs, Airport Director, explained the FAA uses a lot of acronyms. Nevada is just one of the six states selected for testing. This is different than your remote controlled aircraft. We would be partnering with the State of Nevada through this non-profit organization (Nevada Institute for Autonomous Systems) to apply for an operating certificate to allow these UAV's to operate from Elko Regional Airport. We would also be participating in the program in providing the FAA with valuable data on how UAV's operate to and from our airport, incidents that might have occurred and other feedback. By having a designation for a UAV site we would be one of the few sites in the whole country that could attract the global boom in the UAV industry and particularly those functions that would be suited for the types of businesses we have here in Northern Nevada.

Councilman Schmidlein asked what the recommendation from the Airport Advisory Committee is. Was this brought before them? What was their input on this? He felt it would mean more if the Airport Advisory Committee was recommending it to council.

Mr. Gibbs answered the concept to pursue this particular grant and a discussion about the UAV program was discussed with the board the last time. Staff members were in attendance in a class discussing this issue. He felt this needed to be public because people are worried about spying, security and privacy. He wanted to make sure the public would be okay with drones in the community.

Councilman Keener asked have you had any concerns from the pilot community in terms of safety.

Mr. Gibbs answered he has had just the opposite. The pilots feel this platform will happen whether or not we participate. He believed UAV's are going to be part of our everyday lives in the future.

Councilman Keener asked if this would require much staff time.

Mr. Gibbs didn't believe it would require much staff time at all. He was excited to be part of something that is so cutting-edge.

Councilman Keener asked will there be a lot of flights every day. Will it ever be to the point where there would be restrictions to the numbers?

Mr. Gibbs answered part of the certification program is that it is only valid for two years and they will be doing a full air space analysis, safety analysis, etc. The FAA will be overseeing this work.

Greg Barker said Federal money comes with strings. We would be using the runways more and it does cost to maintain the runways and airport facilities. Are these private companies and the federal government is contracting with them. He does have concern with military flights in the area. Where is the airspace they will be using? Will it be over the city or in the sticks in the mountains? What will it bring to the County and/or the City? Will it bring jobs? Will there be an increased flight control need? There are a lot of questions that need to be discussed before we move forward on anything like this. He likes putting Elko on the map for good reasons.

Todd Valline, Governor's Office on Economic Development, said this was a 4-year bid process that the State of Nevada participated in. Our bid was considered to be substantially strong. This will be the focus for the next ten years. Regarding economic development for the state, this will be a multi-million opportunity for the state. Nevada doesn't get to participate in these types of programs. These things will not be dropping out of the sky and they will not be looking in our living room windows. This will be an opportunity for the Elko area. He would like to see the community participate in this program. He also recommended public seminars to get more information out to the public.

John Ellison, Assemblyman and pilot, said he had a couple of concerns. We have thousands of acres that are restricted airspace. Now you will take drones and put them in an active airspace that has no control towers. These things will be taking off and landing in an active airport that has no way to keep from having collisions unless the military keeps an eye on this. This will bring money to our community. We will have to watch how they do these because he was almost killed out at the airport some time ago. If this does get approved we need to be very careful.

Greg Barker asked if any of these drones would be controlled by or overseen by the NSA or FEMA. Who will really be in control of them? Or is it simply the commercial entities independent of the government researching these things? Will any of these drones be weaponized?

Councilman Schmidlein asked do we have any control over the entire situation. Will we be signing our rights away?

Mr. Gibbs said what is do you want us to engage with the Nevada Institute for Autonomous Systems (which is the state sanctioned non-profit organization that is spearheading the state's efforts to develop UAS technology). The first item in the packet is a non-disclosure form and not an agreement. The agreement will be negotiated and brought back to the board for review and approval. The UAV operators will have to understand our unique operations and area. Do you want us to engage with this and start the process? He hoped the city will embrace this technology.

Councilman Rice thanked Mr. Gibbs for his work and passion. He also sees this as an amazing opportunity for the state. There are all kinds of advantages to this. He was in support.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to approve the Airport to become a test site for the Nevada Institute for Autonomous Systems Unmanned Aircraft Systems for the FAA UAS Unmanned Aircraft Systems.**

The motion passed unanimously. (5-0)

- C. Review and possible amendment to the Younger Agency Master Marketing Agreement by adding five (5) additional 41”x 58” LED signs inside the airport terminal, and matters related thereto. **FOR POSSIBLE ACTION**

The LED signs will be utilized to expand advertising space in the airport terminal and will be owned and maintained by Younger Agency for a period of five (5) years. After the five year period the signs will become property of the airport. The capital cost for these signs will amortized over 60 months with the a monthly cost of approximately \$74.00 that will be deducted from the current advertising revenue stream the Younger Agency provides to the airport. There will be no upfront costs to the airport and the LED signs are the same as signs currently on display in the terminal. The additional signs will provide further advertising opportunities and increase advertising revenue to offset the capital purchase price. The airport would see \$82.50-\$90.00 per sign per month in revenue depending on the length of advertisement sought. This would bring an additional \$8.50 to \$16 per sign per month in airport revenue. MG

**** A motion was made by Mayor Johnson, seconded by Councilman Rice, to approve five (5) additional 41”x58” LED signs in the Airport.**

The motion passed unanimously. (5-0)

- E. Review, consideration and possible action to adopt the recommended bylaws for the Elko Centennial Committee, and matters related thereto. **FOR POSSIBLE ACTION**

On January 21, 2014 the Elko Centennial Committee met for the first time, reviewed and has forwarded a recommendation for the adoption of their governing bylaws to the City Council. JD

Jeremy Draper, Civil Engineer, explained they had the first meeting. They adopted the bylaws and recommended that council adopt the bylaws.

**** A motion was made by Councilwoman Simons, seconded by Councilman Schmidlein, to accept the recommended bylaws for the Elko Centennial Committee.**

The motion passed unanimously. (5-0)

- F. Review, consideration, and possible approval of Revocable Permit No. 1-14, filed by McGinley & Associates on behalf of Al Park Petroleum, to occupy a portion of the Idaho Street right-of-way located generally on the northwest side of Idaho Street adjacent to 1515 Idaho Street, to accommodate the deepening of an existing

groundwater monitoring well, and matters related thereto. **FOR POSSIBLE ACTION**

As part of an ongoing monitoring process being completed by McGinley and Associates, they have determined the need to deepen one of their wells as it is currently above the water table to assist them in measuring for contaminants. The monitor well has been in place for a number of years but a Revocable Permit to Occupy the Right-of-Way is not on record at the City of Elko as required by City Code. RM

Rick Magness, City Planner, explained this has been in place but we need the revocable permit to make it official. He recommended approval.

**** A motion was made by Councilwoman Simons, seconded by Councilman Schmidlein, to approve Revocable Permit No. 1-14 filed by McGinley & Associates on behalf of Al Park Petroleum.**

The motion passed unanimously. (5-0)

G. Review of a 5-year Capital Improvement Plan, and matters related thereto. **INFORMATION ONLY – ACTION WILL NOT BE TAKEN**

Staff recently met and reviewed the goals and objectives of the City of Elko Master Plans, the goals of the City Council Members, and the project list of each department. As a result, Staff has developed a draft 5-year Capital Improvement Plan for review. JD

Jeremy Draper, Civil Engineer, felt the agenda item summed it all up. Today he did get some information from the Airport Director and Mr. Fritz Sawyer for improvements. We have the Master Plan as the 30 year guiding document for the City of Elko. Each year we come up with a one year budget. This will fill the need for an intermediate plan to look at the next five years. The Redevelopment Committee didn't get a chance to go through this entirely and it will be re-presented to them.

Mayor Johnson felt since direction has been taken by council that Mr. Draper could plug in the bond for the Police Station onto the spreadsheet.

Scott Wilkinson, Development Manager, said the council should consider adding some money towards Manzanita. We have spent years working with property owners along Manzanita. The city should demonstrate that it is concerned about the build-out there and show it would be an important traffic circulation. If not then we could send the wrong message down there.

Lina Blohm, RAC, said their agendas are jam packed. They have a lot of issues to address with very little money. They are very protective of the money they have. They have an important place in the community. For the first time in five years they are budgeted. This was handed to them at the end of the last meeting without having an opportunity to approve this budget. She wanted another 30 days to address this and approve the budget.

Mr. Draper noticed that regional roads or bridges don't have a funding source dedicated to them. He wanted to look at adding a regional road fund to address issues.

Dennis Strickland, Public Works Director, added when Councilman Schmidlein brought up the walk-bridge, that is scheduled to be looked at on Friday. Today we were also made aware that the intersection at Pinion and Lamoille Hwy has met warrants for a signal.

Mr. Draper said this is to get council thinking about these projects as we move into the budget cycle.

VIII. PETITIONS, APPEALS, AND COMMUNICATIONS

- C. Review and consideration of a request from Mr. Jon Bailey for reimbursement of the Autumn Colors Subdivision offsite improvements through connection fee credits, and matters related thereto. **FOR POSSIBLE ACTION**

Correspondence from Mr. Bailey has been included in the agenda packet for review. CC

John Bailey explained he felt this item could be resolved on the staff level in an agreement.

Ryan Limberg, Utilities Director, said Mr. Baily's project, Autumn Colors, was constructed according to City Code Section 9-1-35. He had left a copy of the code on the dais for council (Exhibit "D"). The city does allow for reimbursement with connection fees. If a developer puts a line in and other developers connect to that line, the first developer would be eligible for credits. Mr. Bailey is eligible for these credits and if he desires we can draft up an agreement. This approach has been used with other developers. Staff has followed city code on this project. When compared to the Artisan agreement the situation is a bit different. Water connection fees are charged are designed to pay for capital expenditures. City code does not list a definition of a transmission main vs. a distribution main.

Mr. Bailey said he would be satisfied just working with Mr. Limberg to get this put together.

NO ACTION

- D. Review and consideration of a request from Mr. Jon Bailey to pay for Autumn Colors multi-family connection fees at Certificate of Occupancy rather than at the building permit issuance, and matters related thereto. **FOR POSSIBLE ACTION**

Correspondence from Mr. Bailey has been included in the agenda packet for review. CC

Mr. Bailey explained that he would like to be able to pay the water and sewer connection fees closer to the Certificate of Occupancy (C of O) as opposed to up front.

Mr. Limberg said in 2009 council took action not to take other deferrals but would consider them on a case-by-case basis. The most recent request was from RAM on the 12th Street Apartments a few months ago. Council denied that request. Past problems have been that the city would develop a legal agreement deferring the connection fees, the project wouldn't happen and the city would be stuck paying legal fees to develop the deferral agreement. If this gets approved tonight we need language that the developer would be responsible for those costs. This will set a precedent for others. He wasn't aware of a project that would not want to defer those costs until a C of O. You will have multiple requests.

Mr. Bailey said they would be paying all the permit fees. It would help them go a little quicker up there. It isn't a major item but that is up for the city to decide.

Mr. Calder said the last one approved was Quail Run. They requested this but they had federal grants associated since it was a subsidized project. That one worked out and they paid their fees. Going back to 1999 when the Microtel was built the council agreed to defer the fees and then the project went bankrupt. The city had to collect those fees after the fact as it was going through a bankruptcy.

Mayor Johnson asked Mr. Bailey if he wanted no action or a motion.

Mr. Bailey answered he wanted to hear what council would vote.

Councilman Schmidlein asked Mr. Limberg to go over the request from RAM. He thought they wanted occupants in there prior paying the fees.

Mr. Limberg answered RAM wanted a deferral of connection fees and that request was denied by council. He wasn't sure if they wanted occupants first but they wanted to pay the fees just prior to the C of O.

Mr. Calder said they wanted to pay prior to issuance of the C of O. They weren't going to get their C of O unless they paid their fees.

Councilman Rice said in order to draft an agreement there would be legal fees incurred. He isn't a fan of deferrals. He would rather look at the policy. He wouldn't want to pay the legal fees.

Mr. Bailey said he wouldn't mind paying the legal fees.

Councilman Schmidlein asked if he had completed Phase 1.

Mr. Bailey answered this is just for the townhome buildings. We are not proposing anything for the single family homes. For those big buildings we figured we would get three or four of them going at a time and then not have to finance \$250,000 in connection fees upfront. Those could go closer to the time that we tie in. We have paid on the first four. There is another twelve buildings left.

Councilman Schmidlein noted Mr. Bailey wanted a deferral on twelve buildings.

Mr. Bailey said one townhome is six units.

Mr. Limberg said that would be \$40,000 to \$60,000 apiece.

Mr. Wilkinson said we have a certain number of townhomes in Phase 1 that has been approved by council and they are still constructing those. We have Phase 2 of the project that has been approved by council. He didn't believe we should be entering into deferral agreements for phases of a subdivision that have not been approved by the city council. Whatever number of townhomes that is left in Phase 1 and Phase 2 can be included in the agreement because those have been approved and can be constructed.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to deny the deferral request from Mr. John Bailey to pay for the Autumn Colors Multi-Family connection fees at Certificate of Occupancy rather than at Building Permit issuance.**

The motion passed unanimously. (5-0)

VI. NEW BUSINESS (Cont.)

- D. Review, consideration, and discussion of the recommendation from the Golf Course Financial Advisory Committee (GCFAC) for possible direction to Staff to implement the design and master plan phase for the Golf Course Irrigation Project based on information found within the Ruby View Irrigation System Analysis, and matters related thereto. **FOR POSSIBLE ACTION**

The City of Elko's Parks and Recreation Department recently commissioned a study to analyze the existing condition and life expectancy of the Ruby View irrigation system components in an effort to recommend future improvements. Based on the findings within the report the GCFAC is recommending Council to direct Staff to prepare a budget for the design phase of the irrigation system for fiscal year 2014/2015. A copy of the report has been included in the agenda packet. JW

James Wiley, Parks and Recreation Director, explained there is a lot of technical boring numbers. He was willing to go over the report if council wanted that.

Mayor Johnson said he was satisfied with the report.

Councilman Schmidlein asked what is the estimated cost for design.

Mr. Wiley answered \$20,000 to have it designed.

Councilman Schmidlein asked what does that include for the design.

Mr. Wiley answered it could be phased. It depends on what you want to do. It will give us costs for the project and get us ready to construct.

Mayor Johnson this is limited on the irrigation project. He would like to see everything that the golf course needs on the same plan. Let's get it all done.

Mr. Wiley said we could do that but it would cost more than \$20,000. If you took some of the higher priority projects, you could lump those into one project. Maybe even Master Plan the golf course to include all of those different aspects. That could be our five year plan.

Mayor Johnson said the issues seem to be the life of the irrigation, trees and more cart path additions and maintenance. He would like to find a way that all of them could be combined and approached together.

Mr. Wiley agreed that there are some things that could be moved to one contractor but there are a lot of things that are specialty items.

Mayor Johnson noted that the golf course has lost maybe 100 trees in the last five years. Maybe with the increase in the water quality from the plant that will go away. He is in support to get it master planned. If we can get the golf course with the same kind of design as the sports complex, doesn't mean we will fund it tomorrow, but where the key comes you get folks to pick a project that overall improves the project. He was pretty sure there would be private donations to help out.

Mr. Wiley felt they could do some bundling. He isn't sure how the city will pay for the irrigation system at \$1.5 million.

Mayor Johnson said they will figure it out. We have been talking about how we can't pay for this but we have a 40 year old irrigation system that should have been replaced ten years ago. As elected officials we have to stretch our necks out. He is so concerned that we will have a mass failure at the golf course.

Mr. Wiley felt that could be achieved through a master plan specific just to the golf course. The number one priority is the irrigation system and that has to happen if we are going to plant new trees.

Mayor Johnson said the golf pro wants to add 150 yards to the course to bring it to championship status. The irrigation will need to be part of that.

**** A motion was made by Councilman Schmidlein, seconded by Councilwoman Simons, to have the Golf Course Committee come back with a Master Rehabilitation Plan of the entire course from A to Z plus the 150 yards added to the course.**

The motion passed unanimously. (5-0)

VII. RESOLUTIONS AND ORDINANCES (Cont.)

- A. Review, consideration, and possible approval of Resolution No. 4-14, donating approximately 42 sports field light fixtures to the Elko County Fair Board, and matters related thereto. **FOR POSSIBLE ACTION**

On January 14, 2014, the Council reviewed and considered this request. Per NRS 268.028 the City Council must approve the donation by Resolution after the review and consideration. JW

**** A motion was made by Councilwoman Simons, seconded by Councilman Keener, to approve Resolution No. 4-14 donating 42 sports light fixtures to the Elko County Fair Board.**

The motion passed unanimously. (5-0)

- B. Consideration and possible approval of Resolution No. 5-14, Resolution and Order providing for the Elko City General Election to be held November 4, 2014, and matters related thereto. **FOR POSSIBLE ACTION**

The Elko City Council will have two Councilmember positions and one Mayor position available for the election to be held November 4, 2014. This City election shall be governed by and conducted in accordance with the Elko City Charter, Title 1 Chapter 5 of the Elko City Code and all applicable laws of Nevada. SO

Shanell Owen, City Clerk, explained this is another step with our city election. The first paragraph indicates that we will have three positions open. Section 2 notes the precincts we have and that all voters will vote at the Convention Center. Paragraph says the election will be held on November 4 and that the polls will be open 7:00 a.m. to 7:00 p.m. Paragraph 4 talks about registration for this election will close on October 14th. Paragraph 5 talks about qualifying candidates meeting certain criteria. Paragraph 6 talks about the filing fee and the dates that people can file for office. We have to canvas the election by the sixth day after the election. Council meeting in November happens to fall on Veteran's Day. We will need to decide whether you will have a council meeting on Monday the 10th or Wednesday the 12th. You don't need to make that decision right now but she will need that information for her calendar.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to adopt Resolution No. 5-14.**

The motion passed unanimously. (5-0)

- C. Review, consideration and possible approval of Resolution No. 06-14, a resolution concerning the financing of building projects for public safety facilities; calling a public hearing on the issuance of Medium-Term Obligations; providing certain details in connection therewith; and providing the effective date hereof, and matters related thereto. **FOR POSSIBLE ACTION**

If the City Council selects the Medium-Term Obligation option of financing the proposed new Police Station, this Resolution is required in order to proceed. DS

NO ACTION

VIII. PETITIONS, APPEALS, AND COMMUNICATIONS

- A. Review, consideration, and possible action to issue a Regular Package Beer/Wine license to Isabelle Belsher, dba The Avenue, location at 2078 Idaho Street, Elko, NV 89801, and matters related thereto. **FOR POSSIBLE ACTION**

**** A motion was made by Councilman Schmidlein, seconded by Councilwoman Simons, to issue a Regular Package Beer/Wine license to Isabell Belsher, dba The Avenue, location at 2078 Idaho Street, Elko, NV.**

The motion passed unanimously. (5-0)

- B. Review, consideration, and possible action to add a catering liquor license to an existing liquor license in the name of Stockmen's Hotel and Casino, and matters related thereto. **FOR POSSIBLE ACTION**

**** A motion was made by Councilwoman Simons, seconded by Councilman Rice, to add a catering liquor license to the existing liquor license for Stockmen's Hotel and Casino.**

The motion passed unanimously. (5-0)

After the motion and the vote, Ms. Owen noted that typically we don't bring an item like this to council if someone is adding catering when they already have a liquor license. This one just kind of slipped through.

III. APPROPRIATIONS

- A. Review and possible approval of Warrants. **FOR POSSIBLE ACTION**

Councilwoman Simons asked about training in the sum of \$6,000.00 in Salt Lake City. Was that for ARFF or Fire? (Yes)

**** A motion was made by Councilman Rice, seconded by Councilwoman Simons, to approve the warrants.**

The motion passed unanimously. (5-0)

X. REPORTS

- A. Mayor and City Council

Councilman Schmidlein wanted some things added to the next agenda. Specifically he wanted to discuss putting the new Police Department building across the street. He wants input from city staff about this. He would like to see real numbers to develop the site from start to finish. Curtis Calder asked if we are being asked to re-consider the site that has already been selected; because if so, this would have to be a separate item. Mayor Johnson didn't see it that way. To make this fair the presentation will be made and then council can decide how they want to go.

Mayor Johnson said he appreciated the point of order brought up by Councilman Rice. He went over the procedure for a point of order.

Councilman Keener said Councilman Schmidlein brought up a concern last meeting regarding his warrants for Print N Copy. He looked at the 2013 total sales and it came out to \$11, 433. Of that \$4000 was for a mailing project. It is a small amount. There are a few things that would be difficult to get elsewhere in the community. He has received a legal opinion. Curtis Calder added that staff did put out a request for quotes to all the local printing providers. It will take a while to get all the responses back.

Councilwoman Simons reported about the printing services available at Elko Daily Free Press printing. A large piece of what they do is done locally. They will be getting in touch with Mr. Calder to let him know what they do and their prices.

- B. City Manager – January 15, 2014 Sage Grouse Meeting (Winnemucca, Nevada); Open Meeting Law Complaint/AG File No. 13-034

Curtis Calder reported on the Sage Grouse Meeting that was held in Winnemucca, Nevada on January 15, 2014. He noted the decision made on the most recent Open Meeting Law Complaint filed by John Carpenter. These complaints cost the city between \$3,000.00 to \$5,000.00 in legal fees each time to respond to them. We have to respond to the complaints but these complaints have been without merit. Councilman Rice suggested having an item on the agenda outlining the cost for complaints.

- C. Assistant City Manager

- D. Utilities Director

Ryan Limberg reported there is no sewer main near the location proposed by Councilman Schmidlein for the Police Station. The nearest water would be on the Idaho Street side. They started filling their STM Aerotor Basin No. 1 today. The latest schedule from the contractor shows about five weeks to finish up.

- E. Public Works

Dennis Strickland reported on the numbers for the N. 5th Street project.

- F. Airport Director

Mark Gibbs reported they have authorized money for air service development with Jviation. On February 6 they will be visiting St. George, Utah which is the headquarters for Skywest. They will be talking about improving services to Elko.

- G. City Attorney

- H. Fire Chief

- I. Police Chief

Ben Reed reported that the city and the county are working to provide county wide school resource officers.

- J. City Clerk

- K. City Planner

- L. Development Manager

- M. Administrative Services Director

- N. Parks and Recreation Director

- O. Civil Engineer

Jeremy Draper reported the next hurdle for the Silver Street site will be FEMA.

XI. LABOR NEGOTIATIONS

- A. Closed session to discuss upcoming labor negotiations with the Elko Fire Fighters Association, Local 2423, Elko Police Officers Protective Association, IUPA – AFL/CIO Local 233, and Operating Engineers, Local 3, and matters related thereto. **INFORMATION ONLY – NO ACTION REQUIRED**

Mayor Johnson recessed the regular session and opened up a closed session for discussion. After the discussion, Mayor Johnson opened up the regular session.

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. **ACTION WILL NOT BE TAKEN**

There were no public comments.

There being no further business, Mayor Chris Johnson adjourned the meeting.

Mayor Chris Johnson

Shanell Owen, City Clerk