

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

SS April 22, 2014

The City Council of the City of Elko, State of Nevada met for a regular meeting beginning at 4:00 p.m., Tuesday, April 22, 2014.

This meeting was called to order by Mayor Chris Johnson.

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

Mayor Present: Chris J. Johnson

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
Ryan Limberg, Utilities Director
Dennis Strickland, Public Works Director
Fritz Sawyer, WRF Superintendent
Scott Wilkinson, Development Manager
Mark Gibbs, Airport Director
Matt Griego, Fire Chief
James Wiley, Parks and Recreation Director
Joe Carr, Parks Superintendent
Doug Gailey, Human Resources Manager
Ben Mangeng, Information Systems Manager
Rick Magness, City Planner
Ted Schnoor, Building Official
Ben Reed Jr., Police Chief
Karen Walther, Animal Shelter Manager
Jeremy Draper, Civil Engineer
Dave Stanton, City Attorney
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**

Reverend Raokel-ly with the Universal Church & Order of the Divine Inc, a 501(c)(3) corporation out of Idaho. He wanted to speak about the Project Horizon Center, which is a transitional rehabilitation center for homeless people to learn to get back on their feet and help them find work. There will be drug and alcohol testing programs for the homeless. He is president of the newly and legally formed Underdog Street Ministries. Underdog Street Ministries was formed as a DBA in 2012 however filing a DBA is not filing the obligations required by the State of Nevada. It is listed as a sole proprietorship which is for profit. Non-profit organizations engage in charitable organizations to assist the public with community assistance and relief. The newly formed Underdog Street Ministries is recognized as a church and is a charitable religious organization. (Exhibit "A") Based on research the Secretary of State indicates that sole proprietorships are legally obligated to file certain paperwork. Underdog Street Ministries that was DBA'd has not filed that paperwork. They are not legally registered in the State of Nevada. If they do not have to file any paperwork, who keeps track of the donations?

APPROVAL OF MINUTES:	April 8, 2014	Regular Session
	March 18, 2014	Special Session

The minutes were approved by general consent.

I. PRESENTATIONS

- A. Reading of a proclamation designating the month of May as National Bike Month. **INFORMATION ONLY- NON-ACTION ITEM**

Mayor Johnson read the Proclamation and presented a copy of it to a representative of the Elko Velo Cycling Club.

Paul Pettit, secretary of the Elko Velo Cycling Club, talked about what the club does and thanked the Mayor for the Proclamation.

- B. Reading of a proclamation recognizing Friday, April 25, 2014 as National Arbor Day. **INFORMATION ONLY - NON-ACTION ITEM**

Mayor Johnson read the proclamation and presented a copy of it to Joe Carr.

Joe Carr, Parks Superintendent, said to plant trees.

- C. Presentation of a "Declaration for the Right to Libraries" by Elko County Library System Director, Jeanette Hammons and Assistant Library Director, Kassie

Kincaid-Antonucci, including a request for City Council signatures, and matters related thereto. **FOR POSSIBLE ACTION**

A copy of the proposed “Declaration for the Right to Libraries” has been included in the agenda packet for review. CC

Jeanette Hammons, Elko County Library System Director, explained they are looking for public support of libraries by signing the declaration. She represents public libraries but this applies to all libraries in our communities. She read the categories in the document, “Libraries Change Lives” and talked about services available at the public library.

**** A motion was made by Councilman Rice, seconded by Councilwoman Simons, to declare our support for the “Declaration for the Right to Libraries” and join in signing that declaration.**

The motion passed unanimously. (5-0)

Ms. Hammons talked more about statistics at the Elko Library. Libraries are not going away because they are heavily used in the communities.

Councilmembers stepped down and signed the declaration while pictures were taken.

V. NEW BUSINESS

- G. Review, discussion, and possible approval of the Long Canyon Mine Project Draft Environmental Impact Statement Letter of Comment, and matters related thereto. **FOR POSSIBLE ACTION**

The City of Elko is a Cooperating Agency with regard to the Long Canyon Mine Project Environmental Impact Process. A “Draft” Letter of Comment has been included in the agenda packet for review. CC

Curtis Calder, City Manager, explained staff went through the Draft Environmental Impact Statement. We focused on the socioeconomic component and drafted what they believe is a fairly thorough response to that. Now would be the time to add to or make comments so we can get the letter off prior to the deadline of May 5th.

Rhonda Zuraff, Newmont Mining, thanked the city for their letter of support and talked about the Long Canyon Project.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, to approve the Long Canyon Mine Project Environmental Impact Statement letter of comment and have Mayor Johnson sign it and forward it to the Bureau of Land Management Nevada State Office.**

The motion passed unanimously. (5-0)

John Bailey, Bailey & Associates, advised that he was withdrawing his request for council to hear the items he submitted for consideration regarding Dr. Debenham.

Mayor Johnson said he received an email from Mr. Bailey that asked for the items to be withdrawn because they have an offer from the hospital for a parcel of land so the city will not consider whether or not there is an economic benefit to the city and no accepting of the appraisal or rezoning. Since tonight will be such a long meeting we will withdraw those items:

VIII. 6:00 P.M. PUBLIC HEARINGS

- B. Public hearing on the fair market value of a ±6.91 acres portion of APN 001-770-004 and possible adoption of Resolution No. 13-14, a resolution of the Elko City Council accepting the appraised fair market value of a portion of APN 001-770-004 and approving the sale to Northeastern Nevada Regional Properties LLC and Douglas Debenham for the purposes of economic development pursuant to NRS 268.063, and matters related thereto. **FOR POSSIBLE ACTION**

William Tessler, Appraiser, has appraised the property at \$105,000. This item was tabled during the March 11, 2014 City Council meeting at the request of the applicant. RM

Withdrawn from the agenda per Bailey & Associates, Jon Bailey email.

VI. RESOLUTIONS AND ORDINANCES

- B. Review, consideration, and possible adoption of Resolution No. 14-14, a resolution of the Elko City Council finding that it is in the best interests of the public of the City of Elko to sell a ±6.91 acres portion of APN 001-770-004 for the purposes of economic development pursuant to NRS 268.063, and matters related thereto. **FOR POSSIBLE ACTION**

On December 10, 2013, City Council accepted a Letter of Intent (LOI) from Jon Bailey, on behalf of Northeastern Nevada Regional Properties LLC and Douglas Debenham, subject to acquiring an appraisal for the aforementioned portion of property. The appraisal has been received and is pending City Council acceptance under the Public Hearings portion of the meeting.

The adoption of Resolution No. 14-14 is required if the City of Elko wishes to dispose of real property without offering the property to the public and without obtaining fair market value for the property. In this instance, Northeastern Nevada Regional Properties LLC and Douglas Debenham have agreed to purchase the property for fair market value, as described in the December 2, 2013 LOI. RM

Withdrawn from the agenda per Bailey & Associates, Jon Bailey email.

Pedro Ormaza, Ormaza Construction, asked if there was any way to keep these on the agenda so the appraisal could be approved and the property sold still if someone was still interested in buying it.

Mayor Johnson thought it would have to come up again under a separate agenda item to sell it.

Curtis Calder, City Manager, said the item was pretty specific. It is reflective of accepting the fair market value of the property and approving the sale to Northeastern Nevada Regional Properties LLC.

Mayor Johnson said if we were going to put it out to bid that would be another agenda item.

II. PERSONNEL

- A. Review, consideration, and possible approval for the Elko Police Department to recruit, hire, and train a replacement Animal Control Officer, and matters related thereto. **FOR POSSIBLE ACTION**

After twenty-one (21) years of service, our Animal Control Officer has given written notice of a planned resignation, effective July 6, 2014. The Police Department seeks permission to hire a replacement in advance of that date (maximum overlap of 30 days) in order to allow for training by the outgoing employee and to not incur a lapse in service provided to the public. BR

Ben Reed Jr., Police Chief, explained this is unique because we only have one animal control officer and it is a specialized position. For a short period of time there would be an overlap to get the training done.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to authorize the Police Chief to hire a replacement Animal Control Officer up to a maximum of thirty days prior to the planned resignation of the existing Animal Control Officer.**

The motion passed unanimously. (5-0)

III. APPROPRIATIONS

- E. Review, consideration, and possible Final Acceptance of the WRF Upgrade Project, including possible approval of \$144,296.81 in project change orders and a proposed waiver of liquidated damages, contingent upon an executed mutual release of claims, and matters related thereto. **FOR POSSIBLE ACTION**

The WRF Upgrade Project is complete and Staff is requesting Final Acceptance. Outstanding issues include three (3) change orders totaling \$144,296.81 and a proposed waiver of liquidated damages to date, contingent upon a mutual release of claims being executed by both parties. CC

Curtis Calder, City Manager, said there were several people in the audience regarding this item. There were three additional change orders totaling \$144,296.81. There would be a proposed waiver of liquidated damages to date. There is a spreadsheet in the packet showing those amounts. This would all be contingent upon the City Attorney drafting a Mutual Release of Claims and each party executing that. The clock would start to tick regarding the retention and closing out the project when the release gets executed. Hopefully that can be done as soon as possible if this gets approved.

Ryan Limberg, Utilities Director, explained this has been an effort between staff and KG Walters to resolve differences. The list of differences is much larger than what is presented but they have worked hard to reduce it down to what is presented tonight. With this addition of the \$144,296.81 for change order #4 that is comprised of three items, the total percent for change orders would be roughly 5.5% and the final punch list has been completed.

Councilman Schmidlein asked for a rough idea of the milestone of where they started. He assumed KG Walter came back with some information and the city came back. He wanted an outline of where this started.

Mr. Limberg said they would be close to \$779,000. There have been differences of opinions of what is reasonable and what isn't reasonable.

Councilman Schmidlein asked if they started out at \$700,000 plus and you guys came to terms.

Mr. Limberg said that would have been the number from KG Walters. Staff didn't necessarily agree with the numbers.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, to approve the final acceptance, including the change orders totaling \$144,296.81 and waive liquidated damages to date contingent upon a Mutual Release of Claims being executed by both parties.**

The motion passed unanimously. (5-0)

IV. UNFINISHED BUSINESS

- A. Review, discussion and possible consideration of a request from Mr. Kris Wright, District Manager, Elko Sanitation Co. for a 2.4% increase for residential and commercial services, effective July 1, 2014, and matters related thereto. **FOR POSSIBLE ACTION**

Elko Sanitation has a Franchise Agreement with the City of Elko for the collection, transportation, and disposal of municipal solid waste and the collection, transportation, and diversion of residential co-mingled recyclables.

Pursuant to Section 15.01 of the current agreement, the contractor may request in writing a rate increase every two years to reflect ordinary changes in the cost of doing business, as measured by fluctuations of the Consumer Price Index (CPI).

Enclosed in the agenda packet is a letter from Mr. Wright, along with supporting documentation as required under the agreement from a Certified Public Accountant; certifying the Contractor's costs to provide services under the agreement, has exceeded the increase in the corresponding CPI.

The last commercial rate increase was in June 2008, while the most recent adjustment for the residential services were done during the period when the current Franchise Agreement was renewed (June 2012), at which time the level of services were changed and co-mingled curbside recycling was added.

Council considered this request during the regular Council meeting held on March 11, 2014, and directed Staff to work with Elko Sanitation to provide additional information that would be provided at a subsequent meeting for consideration. The updated requested information is provided in the agenda packet for Council consideration. DA

Delmo Andreozzi, Assistant City Manager, explained Elko Sanitation is present and noted previous presentations about adding the recycling were on the dais (Exhibit "B").

Kris Wright, Elko Sanitation, explained they are requesting a 2.4% price increase for residential and commercial services based on the CPI in the Franchise Agreement. On the March 11 meeting there were several questions that came up regarding the price increase and he provided answers to those questions in his letter to Mr. Andreozzi dated April 4th. He offered to answer questions. The 2.4% increase is about .40 cents a month to the average residential customer. The amount of service didn't technically decrease when they added recycling to the weekly pickup. Previously they were providing 64 gallons of trash service twice a week to add up to 128 gallons. Currently they are providing 95 gallons of trash service once a week and 64 gallons of recycling service every other week which nets to 127 gallons a week. It may feel like less service it actually didn't work out that way.

Councilman Schmidlein thanked him for preparing the presentation. Going back to the basic pick up of trash going to the landfill; we adopted the recycling pickup. Where is the majority of the increase? Is it on the household side or the recycling side?

Mr. Wright answered it is on the recycling side of the trash removal.

Councilman Schmidlein said he would like the public to know that. With us becoming a recycling community is it costing us more.

Councilman Rice said that is consistent with what the community said.

Mr. Wright agreed. Recycling is where the community wanted to go.

Mike Lattin, 3250 W. Idaho Street, asked what is the total annual increase in revenue as a result of this rate increase.

Mr. Wright answered he did not have that figure in front of him. Their books are not open to public record. The books were reviewed per the contract.

Mr. Lattin thought that they should be showing a net loss that they are trying to recapture.

Mr. Wright said the books were reviewed by an independent certified public accountant which proved that their expenses have increased at least equal to the CPI.

Mr. Lattin said whether you need it or not you will be getting a CPI increase.

Mr. Wright said they are requesting the CPI increase. It is needed to recover costs of doing business.

Mr. Lattin noted in the documents Mr. Wright indicated that a 100 tons a month went to Salt Lake for recycling.

Mr. Wright corrected him that they are averaging 45 tons a month. He didn't know where that number of 100 tons came from.

Mr. Lattin asked if they were losing about \$23 a ton on that.

Mr. Wright answered yes as opposed to landfilling it.

Mr. Lattin said we are accepting the cost increase to recycle and subsidizing it.

Mr. Wright repeated that recycling is not free and it does cost. We are stewards of the earth to preserve that precious landfill space.

Councilman Schmidlein pointed out that information was given to us at the previous council meeting. He asked Mr. Andreozzi to restate the losses.

Mr. Andreozzi explained that they have compared the labor rates, landfill fees, truck fuel, truck other and compared the 2011 to 2013. There was a net increase of 5.7% over that time period and the CPI for that same time period was 3.4%. By contract the auditor needs to evaluate the books and verify that their cost of performing the service has gone up equal to or more than the CPI. In this case you do have a certified accountant that is attesting to that. The contract then says that they are eligible for up to less 1% of that CPI for that time period. They demonstrated a 5.7% increase in costs providing services to the City of Elko and at the same time CPI has gone up 3.4%.

Councilman Keener asked Mr. Stanton if council was obligated to grant their request for an increase.

Dave Stanton, City Attorney, answered no. They are required to come to council for the approval of the increase. It is not automatic. Council still has discretion.

**** A motion was made by Councilman Rice, seconded by Councilwoman Simons, to grant a 2.4% increase for residential and commercial services for Elko Sanitation Company for the franchise services for trash and recycling effective July 1, 2014.**

The motion passed unanimously. (5-0)

- B. Review, consideration, and possible approval of boundary line adjustment between the property owner Douglas Shippy and Crystal Shippy and property owned fee simple by the City of Elko, Nevada under NRS§ 278.5692 Approval of Adjustments to Boundary Lines by Governing Body, and matters related thereto.
FOR POSSIBLE ACTION

This item was tabled at the January 14, 2014 Council meeting due to a new proposal which was submitted by Mr. Doug Shippy during the meeting. Both parties have now come to a final resolution on the property to be traded based on the initial proposal made in January 2014.

This will be a like for like swap of real property in the amount of 5,037 square feet (0.156 acres). Both 5,037 SF of real property has appraised for the same per unit cost by Mr. William Tessler. The airport has also obtained conditional approval from the Federal Aviation Administration to release the Federal obligations from the portion of real property held by the City of Elko intended for a boundary line adjustment with Mr. & Mrs. Shippy.

The boundary line adjustment is the least costly remedy and facilitated through the application of NRS§ 268.061 (e) (I). This allows the City to avoid complying with the provisions of NRS§ 268.059 and 268.062 of the statutes. In the case of Mr. Shippy's real property, several remnants were created by the construction of a public facility (airport fence) that separated a 5,037 SF portion of property from the original property parcel. Due to the size, location and limited ability for the property to be assigned to any other use, this portion of real property meets the definition of a land remnant. This land remnant will be transferred between the City of Elko and Mr. & Mrs. Shippy with both parties paying equal shares towards the administrative costs for a Boundary Line Adjustment. The airport will create a new fence line that meets current Transportation Security Administration guidelines that will be 15 feet from the Shippy Property Boundary to meet regulations for airport security. MG

Mark Gibbs, Airport Director, explained he provided a PDF (on the overhead projector) of the proposal he discussed previously. They will be allocating the construction of a new 8ft security perimeter fence shown in red on the PDF. Both parties have come to an agreement on the land swap.

Doug Shippy asked that when they make the land swap that he will not have a problem getting a permit to build a wall.

Mayor Johnson said anything 4 ft. and above requires a permit.

Mr. Shippy said he would have liked to do the other trade but this will work for both of us.

Mr. Limberg said he thought there was a water line near the red line and he will check that in the morning.

Mr. Shippy said the red line is on the city's side. He thought Mr. Gibbs already had US Dig come in and locate the lines.

Mr. Gibbs acknowledged that he did have US Dig locate the lines.

**** A motion was made by Councilwoman Simons, seconded by Councilman Rice, to approve the Boundary Line Adjustment between property owners Douglas Shippy and Crystal Shippy and property owned fee simple by the City of Elko, Nevada.**

The motion passed unanimously. (5-0)

III. APPROPRIATIONS (Cont.)

- D. Review, consideration, and possible authorization to enter into a Professional Services Agreement with Eastern Sierra Engineering for design and construction management services for the Silver Street CDBG Project, and matters related thereto. **FOR POSSIBLE ACTION**

At the March 25, 2014 Council meeting, Council directed Staff to negotiate a Professional Services Agreement with Eastern Sierra Engineering for the Silver Street CDBG. Staff has met with the design team of Eastern Sierra Engineering and negotiated a contract with them that is within the budget established for this project. JD

Jeremy Draper, Civil Engineer, explained Shawn Jenkins was present from Eastern Sierra to answer any questions.

**** A motion was made by Councilman Keener, seconded by Councilman Schmidlein, to approve the Professional Services Agreement with Eastern Sierra Engineering for the Silver Street CDBG Project.**

The motion passed unanimously. (5-0)

IV. UNFINISHED BUSINESS (Cont.)

- C. Review, discussion, and possible authorization to initiate a concurrent, medium-term financing option for the Police Station Facility Project, including direction to Staff to schedule a Public Hearing and Authorization Resolution for the May 13, 2014 City Council meeting, and matters related thereto. **FOR POSSIBLE ACTION**

On March 11, 2014, the City Council adopted Resolution No. 11-14, a resolution of intent, proposing the issuance of, and authorizing the publication of notices relating to General Obligation (Limited Tax) Public Safety Bonds (Additionally Secured by Pledged Revenues) for the proposed Police Station Facility Project.

Although no changes to the above referenced method of financing are being requested, Staff recommends an additional, concurrent, medium-term financing option be considered. CC

Curtis Calder, City Manager, explained the financial advisor and bond council were available for questions. They wanted authorization to initiate a medium-term financing option. Medium-term is defined as a ten (10) year financing option. It has a process like the twenty (20) year but it is greatly reduced in terms of the timeline. There is no Debt Management Commission approval

needed but there is an approval through the Department of Taxation of the State of Nevada. We are requesting this be approved tonight and then at the next meeting there would be an appropriate resolution with all of the necessary publications prior to the meeting.

Andy Artusa, Zions Bank Public Finance, if we are looking at a ten year financing vs. a twenty year financing you will save approximately \$1 million in interest costs.

Councilwoman Simons noted initially she wanted the ten year financing. When they were looking at the different financing options there seemed to be some concern that making the payment on the ten year financing would be tight and that any other projects we would want to do would have to be put on hold because we would need every cent for the payment.

Dawn Stout, Administrative Services Director, said that prior to us receiving the newest updated information from the Department of Taxation for assessed valuation. Once we got that information we found our assessed valuation went up about 10%. That gives us a little bit more cushion and we are not as tight as we would have been. We may not need the full \$3 million. We could be looking at \$2.5 million based on how sales tax dollars come in.

Councilwoman Simons worried about making all the other departments suffer.

Ms. Stout said these monies are debt service and money that was previously dedicated to a bond we previously had.

Councilman Schmidlein asked if Mr. Artusa had an amortization chart. What are we looking at payment wise?

Mr. Artusa answered it will be about \$300,000 a year on a ten year financing of \$2.5 million. If you would finance \$2.5 million over twenty years it would be about \$200,000 a year. The ten year assumes a 3.5% interest rate and the twenty year assumes a 5% interest rate.

Councilman Schmidlein asked if there was any possibility that Silver Street Improvements can be removed from this loan portion. Can streets pick that up so we don't finance it?

Mr. Calder answered yes. The improvements were initially added into the project in case council decided to add it. If city council chose to remove it, that would be \$250,000 that would not be financed. City Council will be prioritizing road work throughout the city and we may want to add that into the list at that point in time.

Councilman Schmidlein asked can the CAPPS Group property be purchased outright and not part of the financial package.

Mr. Calder answered the intent is that the CAPPS property will be purchased with cash from the facility reserve fund as soon as the developers met the requirements inside the purchase agreement. It is included in the project budget.

Councilman Schmidlein said he was concerned with the garage facility. Can we focus on the facility first and look at the garage as an Option B and part of a Phase 2? It is no different than the county jail. They started out with the main facility and have added 4 phases. He felt he is

behind building a Police Station but he wants to get this down so that it is affordable for the city. If these three items can be removed from the Police Station plans he would be willing to vote in favor of this financing. If not he would vote against.

Councilwoman Simons said she had an opportunity to sit down with Dennis Strickland and go over the streets and priorities. By having us take Silver Street out of the Police Station budget; they already have so many roads that desperately need attention. She didn't feel that would be in the best interest of the city. If the storage had been designed as an attached bay and the price tag had not been separated we would not be having an argument about it. The garage is not looked at as a part of the Police Station when it really is. After her tour of the Police Station she sees the importance of it now and it needs to be operational at the same time that the other facility is operational. She is glad we are paying for the land out of cash.

Councilman Rice said cash for the property is taken care of and can be checked off Councilman Schmidlein's list. Silver Street is a burden but one thing he is wondering is if that would be robbing Peter to pay Paul. Is there a way, given construction will take a year, could that money be set aside so that it wouldn't affect the Street Department budget? The garage is an integral part of the Police Station and it needs to be there.

Mayor Johnson reminded everyone what the agenda item was. There will be another chance to discuss this.

Kendra Follett explained this directs noticing a public hearing for May 13th. That has to be published prior to the meeting. It will have the maximum amount in that notice. It will be a public hearing on May 13 and also a resolution both with maximum amounts in them.

John Carpenter said we should have had some of these figures tonight. You are getting a resolution and will be playing with the figures. You should have the figures first. Before you never had it figured before you put it out. Whatever the deal is you are diverting 2.5 cents of gas tax money. You should go back and look at the Kittridge property again because you can save a lot of money there.

Mayor Johnson interrupted Mr. Carpenter and reminded him what the agenda item was. They are deciding to move forward on medium-term financing.

John Carpenter asked if he didn't want any public comment.

Mayor Johnson answered the public comment should be limited to whether or not the City of Elko should move forward on medium-term financing.

John Carpenter said his deal was that you need to have the figures out there before you start moving ahead.

Mayor Johnson said the figures will come at the next meeting.

John Carpenter asked why don't you have it now.

Mayor Johnson answered we don't need it now.

John Carpenter said he would make his comments under public comments and then council can't shut him up.

Tony Still, 2265 Industrial Way, said on the radio it said if this happens then the petition becomes null and void. Is that correct?

Mayor Johnson said it doesn't require a petition process. That is correct.

Mr. Still asked then all the work he has done for the public to vote and decide will be gone. (Yes) He has been working on this for some time. He felt the public doesn't agree with where Police Station is going or some part of the process. The majority of the people want to participate in what happens with this. He felt we are in overkill on the law enforcement side with a new Police Station, the jail and wanting to put Police Officers in the schools. The majority of the people he talks to disagreed with what the city is doing.

Mayor Johnson said he hears the exact opposite. He has heard more compliments about moving forward with the location of the Police Station. He is not hearing from folks that this is a wrong move. He doesn't expect 100% support on this project. For him to continue on, he is going to listen to his constituents and move forward with this location. There wasn't support of the Kittridge Canyon site and that is one of the main reasons we are at the Silver Street location. They wanted the Police Station to be as central as they could get it. The City of Elko went through all the best steps they could think possible to get the public input and then it came back that Silver Street was favored. When he is at the Doctor's office, the Golf Course or anywhere else in town he hears comments to move forward with the Police Station. Those are the comments he is hearing. If he wasn't hearing those types of comments then he would take serious consideration of whether or not he was making the right decision. The folks talking to him are overwhelmingly saying to move forward with what you are doing.

Councilman Rice said he hears the same message. This has been an issue he has dealt with through two election cycles. The people of Elko have affirmed to him the direction they are moving in with the new Police Station. What Mr. Still hears is contrary to what he is hearing.

Councilman Keener said it is the same for him. The only negativity he has heard about this project has been from people that have other economic interests in terms of the location of the site.

Mr. Still asked why aren't we putting this out to a vote of the public.

Mayor Johnson answered he is receiving overwhelming support to move forward. If the petition is successful then we would lose a year in construction and the City of Elko is faced with whatever ramifications. If the timing doesn't happen just right, then the petition may be pushed for another two years. There is a chance that we won't make that in time for the November election. Then the whole project is pushed two years. We are putting our necks on the line because you have an election to replace us but he is hearing huge support for the city to move in the direction and to get it built sooner than later. We have been involved in countless hours since eight years ago. There has to be some trust that says we have looked at this for a long time. We have weighed it and listened to the Police Department. We expect some opposition but this is

the best choice we have in front of us. The very best interest for the City of Elko is to move forward with the public support that he knows and to build the station sooner than later and complete the project. We are faced with this milestone of whether or not to wait for the petition to see how it develops or not. If it doesn't develop then the city should go down the long term financing. From a cash flow standpoint that is the very best place for the City to go. This medium-term (which has been part of the argument) it will weigh on the city but there is enough resources in cash reserves that the operations of the City of Elko can remain mostly intact as they have in the past. We are elected as the representatives of the people. The process here is for us to weigh the issues and make the very best decision. The best decision is to move forward, in parallel, with medium-term financing, see how the long-term petition works out and if the city still has the long-term option then continue down that path.

Mr. Still said he has talked to a lot of people. The people he listens to are Joe Miner. He visits the mines every day. We are listening to different people.

Mike Lattin, 3250 W. Idaho Street, said what you are saying is that the people that signed this petition, you will totally ignore them. You will circumvent the process and to go to medium-term financing. The council has been stumbling around with this Police Station for many years and nothing has been done with it. It won't make a big difference if you just put it on the ballot right now and let the public vote on it. He feels this will be voted down overwhelmingly if it did go to an election.

Pedro Ormaza, Ormaza Construction, said the biggest frustration is that we still don't know how much this will cost to put this facility on Silver Street. Unless you know for sure how much it's going to be you shouldn't go with any kind of financing.

Will Moschetti, 312 Oak Street, said he hoped that at the May 11 meeting the information these gentlemen desire would be available. Until that point it seems irrelevant. Council is asking for authorization to take the next step. When that next step is taken it might be the time for another argument.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, to initiate a concurrent medium-term financing option for the Police Station Facility Project including direction to staff to schedule a public hearing and authorization resolution for the May 13, 2014 City Council Meeting.**

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

V. NEW BUSINESS (Cont.)

- F. Review, consideration, and discussion regarding a recommendation from the Ruby View Golf Course Financial Advisory Committee that the City of Elko grant lifetime golf passes to former Golf Pro Rick Longhurst and his spouse, Peggy Longhurst, and matters related thereto. **FOR POSSIBLE ACTION**

The GCFAC met on January 27, 2014 and took action to recommend that lifetime golf passes be granted to Rick and Peggy Longhurst in recognition of contributions made to Ruby View Golf Course. After the meeting Staff referred

the matter to City Attorney, David Stanton for a legal review. Mr. Stanton advised that granting lifetime golf passes does not fit within the scope of the public purpose doctrine as defined in NRS 268.028. After meeting with Mr. Stanton on March 24, 2014, the Committee took action to recommend the issue of granting the lifetime passes be placed on a City Council agenda for consideration.
JW

James Wiley, Parks and Recreation Director, explained we had representatives from the Golf Course Financial Advisory Committee present in the audience; Will Moschetti and Tony Araquistain.

Tony Araquistain, Ruby View Golf Course Advisory Committee, said some time ago it was brought to them that in view of Rick Longhurst's long-time service to the city, it was suggested they give him and his wife a lifetime golf pass. The Committee all agreed that would be a nice thing to do for them. They discussed the financial impact of this. He felt they are talking about a minimal cost. They all agreed that is what they would like to do for Rick and Peggy Longhurst. Mr. Wiley advised them that there might be a conflict with NRS. They still think it is a great idea and there should be some mechanism to reward Mr. Longhurst for all the service he gave.

Will Moschetti, 312 Oak Street, said they had another meeting after they found out they may not be standing on firm legal ground. Can you give gifts and/or gifts of value? All things have value. Rick has no obligation to pay at any golf course because of his PGA membership. He felt there was no value to this for Mr. Longhurst. We would be offering Mr. Longhurst nothing of any value. At least 5 of these have been awarded in the past.

Councilwoman Simons said some of council are not golfers. She asked him to explain what Mr. Longhurst has done for the city.

Mr. Moschetti answered that Rick Longhurst showed up as a city employee and moved to be a private contractor. When he arrived the building was in poor shape and Mr. Longhurst paid for part of the new building. A big part of it was also built by the city. He was widely respected by his peers throughout the section. The place is what it is in large due to Rick and Peggy Longhurst. If we handed Peggy Longhurst a pass she might play 5 times so there might be some value there.

Dennis Strickland, Public Works Director, added Mr. Longhurst ran events and there were packed tournaments because of him.

Councilman Keener asked how long do you think Mr. Longhurst will be able to maintain his PGA card.

Mr. Moschetti answered he is a life-time class A member of the PGA.

Councilman Rice doesn't doubt Mr. Longhurst's contributions. This doesn't seem like anything that a public body like them can provide. We aren't talking about a lot of money. Maybe consider naming the clubhouse for him. That is a way that public bodies can recognize service that would not put them in odds with public policy.

Mr. Moschetti asked Dave Stanton if he felt this was still a gift of value and without substantial benefit to the citizens.

Dave Stanton, City Attorney, answered the City of Elko cannot do anything it is not empowered to do by legislative act. When it comes to the expenditure of money, NRS 268.028 is the baseline for the city's authority to spend money or dispose of assets. When it comes to spending money, that is the foundation of the public purpose doctrine. It envisions the city getting something in exchange for the expenditure of city asset. The statute is very simple and broad. There are volumes of cases written on this subject. The concept is that if the city has assets entrusted to it by the taxpayers, it expends those assets, whether it be in the form of money or anything else that has a fair market value to the city and not to the recipient. We are talking about the value to Rick Longhurst and that is not the test. The test is the value to the city. This does have a market value. It has to provide some benefit back to the city. There are some very specific restrictions as to who property could be donated too and what that property can be. Rick Longhurst did incredible things out there that is worthy of recognition but we are talking about expending something that has value to the city without receiving anything in exchange that benefits the public.

Mr. Moschetti argued that money can't be spent without it being a substantial benefit to the citizens. This is a substantial benefit to the citizens. The pass has no value because the city has no anticipation of receiving anything for it. If the pass were granted to John Carpenter it would have value because he would have to pay. How can there be value associated with something with an anticipated future income stream of zero. We can amortize zero real hard and we are going to get to zero.

Mr. Stanton said Mr. Longhurst completed his service long before this issue came up.

Councilwoman Simons asked if someone can't be given something of value without there being benefit to the public. Does that benefit have to come after this gift is given?

Mr. Stanton answered it really does envision a quid pro quo.

**** A motion was made by Councilman Rice, with no second, to not accept the request regarding a recommendation from the Golf Course Financial Advisory Committee to grant a lifetime golf pass to former golf pro Rick Longhurst and that we direct staff to work with the Financial Advisory Committee to find another worthy way of recognizing him for his service to the City of Elko.**

The motion was withdrawn.

After the motion and before the withdrawal, Mayor Johnson noted that hole 13 is named after Rick Longhurst.

Mr. Moschetti said a plaque was already put up in his name and that involved public funds. He does not want his name on a building. He would be offended to have his name on a building.

Councilman Rice withdrew his motion.

Mayor Johnson said council is faced at times with a lot of people that have done great things for the city. He has seen requests come for people that have been overly dedicated to the city but the city is put in a position because there are so many different people. He asked if there was another way to work through this.

Mr. Moschetti argued we are there now and this is not a gift that will have any value.

Councilman Rice noted sometimes universities give honorary degrees. He asked if we granted an honorary lifetime golf pass, since he already has his PGA card, would that work.

Mr. Stanton said we need to look at how this is agenda'd.

Mr. Calder said even if you can get over the hurdle of NRS you still have the issue that the golf course is set up as an Enterprise Fund. All of the fees are based on expense and that is how the rates are set. If some group wants a free annual pass for a golf tournament he has to make sure that pass is paid for out of the budget and accounted for. While it is true that a PGA professional gets a courtesy privilege to golf at the course, it is considered on a case by case basis by looking at a card. We are not dealing with a general fund function. Enterprises operate like businesses. Revenues meet the expenses.

Councilman Rice suggested no action and have staff come back with an agenda item to grant Rick Longhurst a designation such as something honorary. There is no doubt that Mr. Longhurst deserves some further recognition but we can't do it this way.

Councilwoman Simons said it seems that some of these statutes are strict. We are leery to go against legal counsel.

NO ACTION

BREAK

VIII. 6:00 P.M. PUBLIC HEARINGS

- A. Public hearing and possible approval of the 2014 Motorcycle Jamboree Special Event to be held June 12 through June 15, 2014 including the following requests:
 - 1. Closure of the downtown corridor from 3rd Street to 6th Street between Commercial and Railroad Street for the duration of the event. The closure request includes the corridors along with the crossroads.
 - 2. Closure of the downtown corridor between 6th Street and 7th Street to allow for event set-up with access to parking for businesses during the evenings of Thursday and Friday. It will remain closed Saturday for the concert.

Other matters may be discussed as related thereto. **FOR POSSIBLE ACTION**

Due to the number of citizens and businesses this event affects, a public hearing is being conducted to give affected citizens and businesses the opportunity to voice their concerns and answer any questions. All affected businesses and citizens were notified of this hearing. The event is the same as last year. DH

Shanell Owen, City Clerk, explained we did public notice this and sent out notices to the businesses in the area where the closure will be. We have a completed application but we are still working on an updated map.

Brandie Notestine, Elko Motorcycle Jamboree, said there are some changes to the road closures. They are working with Tony Ferguson in the Engineering Department to get the map updated. They are adding an egress/ingress for the bikes to get in and out on 4th Street. Historically there has been a barricade in the alleyway by Diana's. That barricade will be moved up to Idaho Street which is already blocked anyway. Last year we were down to about 80 vendors and this year we are expecting about the same. They are working on a crowd management plan with Josh Carson so they could handle emergencies in the VIP area mostly. They are updating their electrical safety and adding track over cords. They will be working with PACE for bartender training. They want to put up notices this year to highlight minor curfews, glass ordinance, no bike maintenance and no pets on the venue. The sidewalk vendors are an issue because they pose issues with the Fire Department, Police Department and the Jamboree. They are not asked to meet the same standards that they are. They are selling liquor and do not send their people through PACE training. Almost anybody could come to the city and apply for a permit and set up down there and sell liquor. They want to change that in the future. They don't follow state liquor laws and the Jamboree will be asking the state to police that a bit more.

Mayor Johnson asked if the sidewalk vendors are existing businesses or are they vendors that are coming into the community.

Ms. Notestine answered they are both. You will see a lot of actual business owner operators down there set up in front of their sidewalk. Those are not the guys they are having issues with. It is the other guys that don't typically sell liquor and have never had a license to sell liquor but they can come up here and get a permit to do it for a really small fee and then set up on the sidewalk. They want to see that change going forward. They feel they should be part of the venue and maybe that should turn over to the jamboree over the weekend and they have to follow the same rules and regulations as their vendors.

Mayor Johnson assumed they would follow the same rules and was surprised there wasn't the control over each and every vendor that is within that venue.

Ms. Owen said when it comes to the sidewalks anyone can come in and ask for a sidewalk permit. They can do business in front of the businesses on the sidewalk that is not part of the jamboree venue. The sidewalks are not the Jamboree's area. Their area starts at the curb in the corridor. People will come in and say they have received the owner of the business' approval to use the sidewalk for the timeframe. The Fire Department inspects them to make sure they meet codes. They need to get a special event liquor permit if they are selling liquor.

Councilwoman Simons asked someone can get this special event liquor license without a background check?

Ms. Owen answered this is how it has been done since day one. It may be difficult to have the jamboree in charge of the front of other businesses. That might be a bit contentious.

Ms. Notestine said they want control of the people that are not business owners. Inspections are done but what they see is other people setting up. Those vendors are the bread and butter of the event. Some wait a year to get in but the sidewalk permit people set up for a fraction of the cost.

Dale Andrus, 418 Commercial, said he was on the jamboree committee the first few years and they came to council regarding this. As a concession, council decided that if you are a business owner in the corridor you could set up and do some type of vending. He sets up a bar and provides an insurance policy and all other required inspections. If you don't have a business in the corridor you should not have a booth set up on the sidewalk. He felt it was within council's authority to say if you don't have a store front business along the corridor then we won't allow you to have a liquor license.

Samantha Croner, 676 Commercial Street, said she runs the theatres in Elko. She has an issue with her employees parking during the event. She needs a place for her employees to park that is safe. Trucks block the parking spaces and other people come in and take their parking spaces. This has become a bigger and bigger issue each year.

Councilman Keener said he hoped they could work with Ms. Notestine's group to try to figure out something. Maybe have an off-site parking and have a volunteer provide transportation to get your folks back and forth.

Ms. Notestine said in the past they have left that piece of the corridor open until we absolutely have to block it off. We work with several businesses down there with the same concerns. When they got signatures that wasn't brought up.

Ms. Croner said when they came to get their signatures on the approval and her manager asked what if we don't sign this? The general manager said it doesn't matter because it is going to happen anyway.

Ms. Notestine asked about the side parking and if that could be blocked off for the theatre employees.

Ms. Croner answered they have done that in the past but people move their stuff and park there anyway. The concert truck blocks us in too. She loses business because of the parking.

**** A motion was made by Councilman Keener, seconded by Councilman Schmidlein, to conditionally approve the 2014 Motorcycle Jamboree special event held June 12, 2014 through June 15, 2014. This includes closure of the downtown corridor from 3rd Street to 6th Street between Commercial and Railroad Streets for the duration of the event and closure of the downtown corridor between 6th and 7th Streets to allow for the event set up with access to parking for businesses during the event on the evenings of Thursday and Friday and it will remain closed Saturday for the concert as well. The condition is that the group obtains the necessary liability insurance.**

The motion passed unanimously. (5-0)

- C. Review, consideration, and possible action to adopt Resolution No. 17-14, a resolution of the Elko City Council adopting a change in zoning district boundaries from C (General Commercial) to IC (Industrial Commercial), involving approximately 0.614 acres of property located generally on the east side of Stitzel Road approximately 240 feet south of Pinion Road, filed by Bailey & Associates LLC and processed as Rezone No. 2-14, and matters related thereto. **FOR POSSIBLE ACTION**

The Planning Commission considered the subject zone change request on April 1, 2014. The Commission took action to forward a recommendation to the City Council to conditionally approve Rezone No. 2-14 subject to the condition that public improvements are required at the time of development. The Commission included findings in support of its recommendation. Public improvements are a normal requirement of new development and therefore not required to be a condition within the resolution. RM

**** A motion was made by Councilman Keener, seconded by Councilman Rice, based on Planning Commission approval and consideration; we adopt Resolution No. 17-14.**

The motion passed unanimously. (5-0)

- D. Review, consideration, and possible action to adopt Resolution No. 18-14, a resolution of the Elko City Council adopting a change in zoning district boundaries from C (General Commercial) to IC (Industrial Commercial), involving approximately 0.982 acres of property located generally on the southwest corner of Pinion Road and Cherrywood Way, filed by Klondike Holding LLC and processed as Rezone No. 3-14, and matters related thereto. **FOR POSSIBLE ACTION**

The Planning Commission considered the subject zone change request on April 1, 2014. The Commission took action to forward a recommendation to the City Council to conditionally approve Rezone 3-14 subject to the condition that public improvements are required when developed. The Commission included findings in support of its recommendation. Public improvements are a normal requirement of new development and therefore not required to be a condition within the resolution. RM

**** A motion was made by Councilman Rice, seconded by Councilman Schmidlein, to adopt Resolution No. 18-14.**

The motion passed unanimously. (5-0)

V. NEW BUSINESS (Cont.)

- H. Review, discussion, and possible approval of the Revised Animal Shelter Policies and Procedures Manual, and matters related thereto. **FOR POSSIBLE ACTION**

The current Animal Shelter Policies and Procedures have been in place for many years. Based upon numerous changes, due in part to the acquisition of the Dumke-Weeks Spay Neuter Clinic, Staff is recommending approval of the revised Animal Shelter Policies and Procedures Manual. CC

Curtis Calder, City Manager, explained the Revised Animal Shelter Policies and Procedures Manual was included in the packet and hopefully everyone had a chance to review it. The old manual was about ten years old and we have had a lot of changes over the last ten years. We try to reflect all of those things that have changed. They are looking for additional comments or input. Karen Walther, Shelter Manager, is present for any questions.

Councilman Keener asked about Section 8A Euthanizing Animals. He felt there should be a specific requirement to do a last chance scan for a microchip before an animal is euthanized. It would be terrible for someone's animal to be destroyed because it wasn't checked a second time.

Karen Walther, Animal Shelter Manager, felt that would be an excellent idea.

Ursula Burger, 8319 Cayuse, Ryndon, reminded council she was at the last meeting. She brought a copy of the petition that she has had online that she offered to hand it out to council. The petition reads as follows: It's people against the current shelter practices concerning adoptions. The Elko Animal Shelter is funded by the taxpayers. As taxpayers we deserve the right to review and have a say in the shelter policies and procedures, especially if the policies affect our local animals, concerning the adoption and/or transporting process. Our tax money is being used to house animals that are not being offered to our local people first but instead are being transported to an out-of-state rescue. As concerned citizens we would like to halt this practice and hold the City of Elko employees who implement these policies accountable for their actions. The current practices of the local Animal Shelter do not make the desires to adopt our pets to a local home a priority. We would like to see the current practices changed to benefit the local people wishing to adopt as well as the animals housed in our facility. The health and well-being of our animals needs to be the major focus and not providing animals and services to a facility in Washington. There are 247 signatures. Ninety-three of those are in Nevada. In keeping with the included petition, she requested that the revised policies and procedures for the Elko Animal Shelter be tabled until a later date. Citizens would like the opportunity to review the changes and discuss them with the city before the changes are implemented. She stopped at the office to get a copy of the revised practices and procedures before they had been voted on and she was told the manager was in a meeting at the time. The HR Representative was in the office and when she asked him about getting a copy of those revised procedures he told her that since they had not been voted on yet that it was an active type of document and therefore the public was not allowed to see that information until after it was voted upon. She wanted clarification to find out if she would have some say and be able to review this until it was voted on.

Mayor Johnson agreed we want input from the public. To postpone it so she and others could look at this would be good. You could say what you like and don't like. You should have access to that as it is being drafted and being presented.

Councilwoman Simons asked if she knew if these people were citizens of the City of Elko.

Ms. Burger answered she allowed people from all over to sign the petition. Her petition does not give that information when she goes on to review it.

Councilman Rice said staff has been working on this document for some time and he wanted to be able to pass this tonight. If her organization were to review the document how would we go about doing this? There have been workshops in the past on policies like this.

Councilwoman Simons said there were several people that shared a lot of the same concerns as Ms. Burger. They sat down with Ms. Walther and Mr. Calder and herself and discussed these issues. Her feeling at the end of the meeting was that they were on board and understood everything. She offered to meet with Ms. Burger, Ms. Walther and Mr. Calder to discuss this further and throw some ideas around. In the past that has been successful.

Ms. Burger said the women that were at that meeting signed her petition and would like more information about the revisions.

Mr. Calder said the three women he met with had provided their contact information and they provided a copy of the draft policies to them. If Ms. Burger would provide contact information he would send an electronic copy of the document or they could give her a copy of it tonight. She should have received a copy of the paperwork because it was part of the agenda packet.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to table this item for the approval of the revised Animal Shelter Policies and Procedures Manual as staff works with public to get more input and get this scheduled for a future meeting.**

The motion passed unanimously. (5-0)

III. APPROPRIATIONS (Cont.)

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

Councilman Schmidlein asked about a memorial torch in Tonopah and Carson City for the Police Department.

Chief Reed explained it is for a Peace Officers Memorial that have died in the line of duty. Officers run part of the memorial. He will be there this year and this will be the first time he has seen it.

Councilman Schmidlein asked about Concrete Solutions and Design that said “Supplies for concrete,” regarding the airport.

Ms. Stout answered it was for the airport. They are doing some rehab of some concrete out there in and around the terminal area. It is not associated with the apron. There are specific types of supplies that they are buying. It is a new process and they needed a down payment for those materials.

Bill Hance, 724 5th Street, said under the Police Department you have a rental of a postal machine for \$199. Is that yearly or monthly?

Ms. Stout said they pay quarterly and pay separately for the postage.

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

The motion passed unanimously. (5-0)

- B. Review, consideration, and possible direction to Staff to solicit bids for a Sewer Vacuum Truck Dump Station located at the Water Reclamation Facility, and matters related thereto. **FOR POSSIBLE ACTION**

A dump station is needed for the City Sewer Vacuum Trucks. Septage hauling trucks, dump at the front of the plant. However, the City Sewer Vacuum Trucks often have rocks and other debris present which will damage the components if dumped in the same location. The dump station for the City Sewer Vacuum Trucks is designed and would consist of a small concrete basin to dump into with no pumps or other appurtenances. Sixty Thousand dollars (\$60,000.00) has been budgeted in the current fiscal year for this Capital Project. RL

Ryan Limberg, Utilities Director, explained the sewer vacuum trucks go out to unplug a sewer manhole. We remove whatever has plugged or blocked the sewer manhole but we need a spot to dump the trucks. If we dump it at the front of the plant the materials goes through the grinder it will chew up the pump and those are costly repairs. There are drying beds on the back of the plant but those are large enough that the debris we dump off the trucks runs and spreads all over the place. They want a basin to dump into and get a loader into. They would install a temporary pump and treat the remaining solids.

Councilman Schmidlein asked where you are disposing of it now on the back of the plant site, where commercial people are dumping sludge, there is no way to screen this process out with the existing facility?

Mr. Limberg answered no. You can screen it but rocks and other debris clog the screen up and you are left with a lot of sludge.

Councilman Keener asked if it can be scaled down a bit. It seemed to be a lot of money for something that isn't used very often.

Mr. Limberg agreed that it seemed costly. They thought they could do it under \$50,000. They asked if it could be done and the numbers came back over \$50,000. We wouldn't have a pump in this dumping area. We would use a portable pump. This is the scaled down version. We can't make it any smaller or narrower. They tried to make it as small as they could do it. He didn't think there was anything they could scale back. They haven't solicited bids yet. There is some concrete reinforcement that they need in the concrete.

Mayor Johnson thought it could save money for the city by not having that material go through the cutter blades.

Mr. Limberg said the septage haulers will dump in the front of the plant but what they haul is usually clean of debris.

Charlie Myers asked if this was already a budget item. (yes)

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to direct staff to solicit bids for a Sewer Vacuum Truck Dump Station at the Water Reclamation Facility.**

The motion passed unanimously. (5-0)

- C. Review, consideration, and possible approval to award a bid to Remington Construction Company, LLC for the construction of Manzanita Lane Public Improvements, and matters related thereto. **FOR POSSIBLE ACTION**

This project has been budgeted for in the current fiscal year. The public improvements will consist of curb, gutter, sidewalk, replacing and extending culverts, and thirty feet of paving on Manzanita Lane in front of four wells on property that the City owns. This work will be paid for from the Water Fund with approximately \$80,000.00 available in the Capital Construction Fund that may be utilized for related and interconnected work on the project. RL

Ryan Limberg, Utilities Director, explained how much was in the budget for this work. Remington Construction was the low bidder at \$588,888. He explained what they want to do in the project.

Councilman Schmidlein said he doesn't have an issue with curb, gutter and sidewalk. We are doing patch paving. We are piece-mealing Manzanita and it will come back to haunt us. We are forcing all the other people to be in compliance with it. He felt we should put in curb, gutter and sidewalk in and then put in all of the paving as a whole.

Councilman Keener agreed and suggested that we hold the money in escrow and do it once and do it right. It confused him in Planning Commission to have these portions surrounded by gravel.

Scott Wilkinson, Development Manager, said if you take that approach you will have some issue. You will have to over-base the road so you can drain the roadways to the gutter otherwise you have drainage issues and will have all those inherent problems until it is paved. We have seen in the past that if we ever called a bond and it hasn't been very much time lapsed we are behind the eight-ball because of cost increases to construct. It is difficult to say give me a dollar today and I will spend that same dollar and get the same work ten years from now. It wasn't too many years ago that all of Manzanita was potholes. It is coming together.

Councilman Schmidlein said he has driven that road many times over the last couple of months and he shakes his head each time. You can still award all of the curb, gutter and sidewalk if we elected to go that way. It is something we really need to think about here. We have forced all these other people into doing it.

Dennis Strickland, Public Works Director, said Mr. Wilkinson made some valid points. In the last few years asphalt prices have gone up 40%. As long as we do a good job in tying these things in, we can hold them to the tolerances where those joints are staggered but hold to standards. Next year asphalt can go up another 10%.

Councilman Keener asked if asphalt has increased in other areas.

Mr. Strickland answered yes but it is worse here because we are a captive audience.

Mr. Limberg said the number Mr. Draper gave us was \$517,000 last year. The estimate was before they added some additional items and that estimate came to over \$700,000. The bid is very good for the work being done. From a price standpoint we are well below our engineer's estimate on the project. No one really likes the piece-mealing approach but it is the best we can do with what we got.

John Carpenter wondered about using Water Enterprise Funds to build streets. When we passed all the water increases they were supposed to be used for water development and replacement of lines that failed. It is an enterprise fund and he wonders how you can use that on the streets. The water fund money should go to the golf course irrigation. Use those funds for where kids play ball. If you start using these water funds to build streets and then you ask for an increase in water rates you will get a huge push back.

Mr. Limberg rebutted he would like to save the Water Fund money and spend it on other things as well. If you look at the developers that have paid for their curb, gutter, sidewalk and paving up and down Manzanita, it is the owner of the parcel. It isn't the Street Department paying for that paving it is the owner of the parcel. Those parcels are owned by the City of Elko Water Department. They each have a well on them. The public improvements fall to the parcel owner and that is why we budgeted for that work out of the Water Fund.

**** A motion was made by Councilman Rice, seconded by Councilwoman Simons, to approve and award a bid to Remington Construction Company for the construction of Manzanita Lane Public Improvements.**

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

After the motion and before the vote, Mike Lattin commented that he agreed with John Carpenter on this. There is some merit there that you have a Water Fund to do water improvements and a Street Department funded to do street improvements. This is a low traffic area especially as you go further east. He wondered if we needed to look at a way to delay curb, gutter and sidewalk because by the time that street gets to a point that it will be finished, the curb, gutter and sidewalk will be wore out. If we could get by without the curb, gutter and sidewalk we could afford to get two lanes paved out there and at least have something. In ten or fifteen years when there is more traffic out there, maybe then look at doing the concrete work.

Councilman Schmidlein asked if there is no way we can approve the wells behind CAL Ranch and Neff Equipment and leave the area going to Old Highway 40 out. Can we break that out?

Mr. Limberg answered they were all included in the base bid. The smaller items we can modify based on the unit pricing but that is a large component of it. We would have to rebid it.

John Carpenter said he would like members of the council to go out there and look at the section that hooks up to Old Highway 40. There is no reason for a sidewalk out there. That is probably half of this whole project. If you are going to use water money to build these streets then build them where it will be useful.

Councilman Schmidlein asked again if there was a way to revamp the way it was bid.

Mr. Limberg answered they could for the little things but the items Councilman Schmidlein wants changed are of a substantial component. The larger the project is the cheaper the price could be. As we reduce it down each of those prices are going to escalate.

Councilman Schmidlein said it was partially his mistake because he voted for this. After they agreed to this he went out there. The furthest east end goes nowhere. The other three tie into developable industrial sites so they have merit.

Mr. Limberg said they had internal discussion within staff about not doing things or taking the end piece out. At the end of the day their feeling was "let's do this, do it once and get it done." The bids are favorable right now.

Mr. Wilkinson said there are some people down there that have incurred some expenditure that are looking at the city to step up and do the same thing. Every single one of those business owners that have had to incur those expenditures are looking for the city to do the same thing. In addition to that Manzanita is a regional roadway. You should keep in mind that Manzanita is going to play a larger and larger road as that roadway develops. This may seem like it is on the edge of town, and the City of Elko has made decisions where things were on the edge of town and we are there. We have surrounded those areas and we don't have sidewalk or those things in place.

Sara Sweetwater, 1375 Oak Street, handed out a map. (Exhibit "C") If we lift ourselves off from this controversy we can see that paving Manzanita will put us ahead on that portion of the artery. Our arteries are totally clogged. The Silver Street extension was proposed and engineered for the bond issue to 12th Street. We can put Manzanita's asphalt from 30th to behind CAL Ranch without sidewalks and then we can build Silver Street in increments. We can use the money for asphalt on that end of town, pave to 14th Street for the Police Station and then we can see our visionary future without squabbling over money. If the naysayers got their way when we wanted to move the Railroad we would still have the Railroad Tracks in the middle of town. We need to be visionaries and look ahead.

Council voted on the motion.

V. NEW BUSINESS (Cont.)

- A. Review, consideration, and possible authorization for Staff to apply with FEMA for entry into the Community Rating System (CRS) program, and matters related thereto. **FOR POSSIBLE ACTION**

The CRS is a program implemented by FEMA to encourage floodplain mitigation in communities. By participating in the CRS program residents of the community will be eligible for a discount in their flood insurance. JD

Jeremy Draper, Civil Engineer, explained he passed out a community rating system from FEMA (Exhibit "D"). We apply with FEMA and they come out to us and review our records and policies on Flood Plain Development and make sure we are doing what we are supposed to. Also if we do anything to decrease the flood chances in the City of Elko it helps improve our score and rating. In the City of Elko we only have 70 policies. The total premium for those policies is \$82,000 a year. Those 70 people are paying quite a bit out of pocket for that. We have had a total of three losses for \$20,000 out of those policies. We have approximately 500 structures that are in the flood plain. This system rates us. If we come in at a class 6 which is typical, the residents will receive a 20% discount in the flood insurance rates. Rates have increased recently. Some rates have doubled and tripled. This is a chance for us as a community to help out our citizens that are in the flood plain by helping to reduce the costs to them.

**** A motion was made by Councilman Rice, seconded by Councilman Schmidlein, to authorize staff to apply with FEMA for acceptance to the Community Rating System (CRS) Program.**

The motion passed unanimously. (5-0)

- B. Review, discussion, and possible adoption of the 2014 Street Inventory List, and the 2014 Street Capital Construction Project Priority List, and matters related thereto. **FOR POSSIBLE ACTION**

Staff conducted a Street Inventory in February and March. The purpose of this annual survey is to evaluate current road conditions, and to recommend a list of maintenance projects for the upcoming construction season. Please find enclosed for your review, in the supplemental agenda information, City Staff's 2014 Street Inventory, and recommendations for the 2014 Streets Priority List. DS

Dennis Strickland, Public Works Director, gave a presentation included in packet.

Councilman Schmidlein asked about dust suppression on Flagview Drive, isn't that going to get new asphalt this year?

Mr. Strickland answered it will get curb, gutter and sidewalk but not asphalt. The grant only pays for pedestrian infrastructure.

Councilman Rice said these are always comprehensive plans and they seem ambitious. He appreciated the planning done on this.

Mr. Strickland appreciated the support that council has given him.

Councilman Keener asked about 9th Street Pedestrian Bridge; it seems to be a high priced item. He has walked that. It isn't new and it looks fine structurally. Are some of the things being done safety related?

Mr. Strickland answered the structural engineer had some concern about some water getting into the rebar in the spiral area. There is the chance that we may not have to make such invasive repairs.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, to adopt the 2014 Street Inventory and the 2014 Street Capital Construction Project Priority List.**

The motion passed unanimously. (5-0)

- C. Review, consideration, and possible adoption of the Five Year Capital Improvement Plan, and matters related thereto. **FOR POSSIBLE ACTION**

Staff recently met and reviewed the goals and objectives of the City of Elko Master Plans, the goals of City Council, and the Project List of each department. As a result, Staff has developed a draft Five Year Capital Improvement Plan for possible adoption. The adoption of this plan does not commit funds for a project, nor does it guarantee that a project on this list will be constructed during the identified fiscal year. The Five Year Capital Improvement Plan is intended to provide Staff and Council with help in determining the priority of City projects from a funding and resource allocation perspective. JD

Jeremy Draper, Civil Engineer, explained this was presented before for information only. We have gone through and updated it a little bit. This is an overview of each of the departments and their projects and goals they have planned for the next five years.

Councilman Rice said he would be interested in knowing more about funding sources and alternative funding sources.

**** A motion was made by Councilman Rice, seconded by Councilwoman Simons, to adopt the Five Year Capital Improvement Plan as guidance for future projects.**

The motion passed unanimously. (5-0)

After the motion and before the vote, Councilwoman Simons wondered if the Exit 298 stuff for the water and sewer needs to be moved from medium to high.

Mr. Limberg answered they do have those items have been identified in this year's budget. There are some minor discrepancies between the budget and this but we do have them identified. Also some reclamation work wasn't included.

Council voted on the motion.

- D. Review, consideration, and possible approval for the Elko Police Department to apply for a grant from The US Department of Justice Bulletproof Vest Partnership Grant for Fiscal Year 2014, and matters related thereto. **FOR POSSIBLE ACTION**

The Bulletproof Vest Partnership provides fifty (50) percent match grant money for bulletproof vests for law enforcement officers. The Elko Police Department has received grant money from this program for over ten years. This grant would provide half of the money needed for bulletproof vests to be replaced within the next fiscal year. These funds are secured ahead of anticipated purchases and then used as purchases occur, based upon vest replacements and new hires. Typical vest purchases cost approximately \$800 each, with the Police Department incurring fifty percent of that amount. Tactical armor vests cost more. BR

Ben Reed Jr., Police Chief, explained this is a grant program that we have taken advantage of for many years.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to authorize Elko City Police Department to apply for the Bulletproof Vest Partnership Grant.**

The motion passed unanimously. (5-0)

- E. Review, consideration, and possible action to renew the C-A-L Ranch Stores Lease Agreement for six (6) years, effective August 21, 2014, between the City of Elko and C-A-L Stores Companies, Inc., and matters related thereto. **FOR POSSIBLE ACTION**

The City of Elko recently received a request from C-A-L Ranch Stores to renew the current Lease Agreement for six (6) years, effective on the current expiration date of August 21, 2014. The current Lease Agreement includes a provision for the renewal, if the Lessee is in good standing under the Lease. The renewal provision also specifies an adjustment if the renewal option is exercised. The new annual rent shall be \$6,472.00. SO

Shanell Owen, City Clerk, explained the leasee is in good standing and staff recommends approval.

**** A motion was made by Councilman Keener, seconded by Councilman Schmidlein, to approve the lease renewal subject to the provisions of the Lease Agreement and direct staff to prepare a Renewal Agreement for signature with C-A-L Ranch.**

The motion passed unanimously. (5-0)

VI. RESOLUTIONS AND ORDINANCES

- A. Request from NV Energy for a utility easement on property owned by Elko Regional Airport, and matters related thereto. **FOR POSSIBLE ACTION**

NV Energy is asking Council to grant three utility easements shown in the agenda packet for an overhead utility line that exists on the Northwest section airport property. The easement will be granted for \$1 and will allow NV Energy access for maintenance of the utility conveyance. MG

**** A motion was made by Councilman Schmidlein, seconded by Councilman Keener, to grant an easement with NV Energy for \$1 for the three areas depicted in Exhibit “A” of the grant application.**

The motion passed unanimously. (5-0)

VII. PETITIONS, APPEALS, AND COMMUNICATIONS

- A. Ratification of the Police Chief issuing a 30-day temporary retail and catering liquor license and issue a regular retail and catering liquor license to Michael M. McGhee, dba Flying Fish, located at 245 3rd Street, Elko, NV 89801, and matters related thereto. **FOR POSSIBLE ACTION**

Chief Reed explained this business changed hands. This is a retail and catering liquor license and there are no issues with the applicant.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to ratify a 30-day temporary retail and catering liquor license and issue regular retail and catering liquor license to Michael M. McGhee, dba Flying Fish, located at 245 3rd Street, Elko, Nevada.**

The motion passed unanimously. (5-0)

IX. REPORTS

- A. Mayor and City Council
Councilman Keener reported on the Clean-Up Green-Up event on Saturday. He also felt we should look at addressing the temporary liquor licenses as they relate to the Elko Motorcycle Jamboree.
Councilman Schmidlein said he noticed there was some drilling and testing being done at the Railroad Corridor around the old oil city and firewood place. He asked if anyone knows what is going on. Curtis Calder said he hasn't seen it being done but he suspects that is Union Pacific starting their mitigation efforts on ground water cleanup.
- B. City Manager – NPAIP Board Meeting April 24 & 25, 2014
Curtis Calder reported that this week is the NPAIP Annual Board Meeting. They meet to determine what coverages the insurance pool will have.
- C. Assistant City Manager
Delmo Andreozzi gave an update on the Take Pride event this weekend. They have a special project they are doing at the Harbor House to beautify their public right-of-way. They also adopted a deserving senior again this year.
- D. Utilities Director
Ryan Limberg thanked council for action on his items.
- E. Public Works
Dennis Strickland talked about the Streets and Highway Conference he and Jeremy Draper attended.
- F. Airport Director
- G. City Attorney
- H. Fire Chief

Matt Griego reported on his most recent issue of the Fire Watch Newsletter. (Exhibit "E")

- I. Police Chief-Update – House of Prostitution License Application
Ben Reed Jr. reported on a license application for a house of prostitution. They have launched an investigation but it is not complete yet. He hopes to be able to give a formal written report at the next agenda. An on-duty officer was involved in a crash recently. He is recovering nicely but the car is torn up pretty good.
- J. City Clerk
Shanell Owen said the Elko Motorcycle Jamboree is under no obligation to put servers through PACE training. Their concern is the cost of getting a special event liquor license vs. a vendor for Elko Motorcycle Jamboree. The special event liquor licenses are following the same requirements as the Jamboree vendors.
- K. City Planner
- L. Development Manager
- M. Administrative Services Director
Ben Mangeng talked to council about speaking into the microphones and adjusting the volumes.
- N. Parks and Recreation Director
James Wiley reported they are in full swing of their sports season from youth to adults. We have been working on a design for the Sports Complex.
- O. Civil Engineer
- P. Building Official

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**

Charlie Myers, 560 Bullion, agreed with Ms. Sweetwater's comment about being a visionary. We need to remember that we are using taxpayer money. It does run out and sometimes you have to go get more. He is in support of the Police Department. He doesn't care where it is located but he wants the taxpayers taken care of properly. He is not in favor of using the 2.5 cent tax to pay for this and he wants the city to find an alternative funding source. The homeless issue; we have talked about this for over a year. They need to be moved and we need to find a central location to move them to. Once you do that you give the police the ability to enforce City Code. The homeless situation is getting worse. He wondered if we could make that panhandling not be allowed in the city.

John Carpenter commented he never said he was against the Police Station. Like Charlie Myers said, it is our responsibility to use taxpayers' money in the best way. He offered a compromise about getting this off dead center and make some progress. He felt he was a visionary. We need to go back to Kittridge Canyon. You will save the gas tax money and will only have to borrow around \$1 million. With his plan you save by not building the garage right away. Now is the

time to compromise on this and go back to Kittridge. He wanted this put on the next meeting and get some things done. He doesn't like this person against person. This is a chance to compromise this thing and the Police get the facility they need.

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

Mayor Chris Johnson

Shanell Owen, City Clerk