

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

SS May 12, 2015

The City Council of the City of Elko, State of Nevada met for a regular meeting beginning at 4:00 p.m., Tuesday, May 12, 2015.

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
Scott Wilkinson, Assistant City Manager
Ryan Limberg, Utilities Director
Shanell Owen, City Clerk
Dawn Stout, Administrative Services Director
Dennis Strickland, Public Works Director
James Wiley, Parks and Recreation Director
Doug Gailey, Human Resources Manager
Jonnye Jund, Accounting Manager
Rick Hofheins, Assistant Airport Director
Jeremy Draper, Development Manager
Matt Griego, Fire Chief
Ben Reed Jr., Police Chief
Mike Hess, Landfill Superintendent
Bob Thibault, Civil Engineer
Rick Magness, City Planner
Ted Schnoor, Building Official
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**

There were no public comments.

APPROVAL OF MINUTES: April 28, 2015 **Regular Session**

The minutes were approved by general consent.

I. PRESENTATIONS

- A. Special Recognition of the contributions by NYTC Staff and Crews for their participation in the recent “Take Pride in Your Community Event”
INFORMATION ITEM ONLY – NO ACTION WILL BE TAKEN

Dennis Strickland, Public Works Director, thanked the NYTC staff and crews for their help.

Jesus Alvaron, NYTC, thanked the city for allowing the staff and youth at the facility to give back to the community. He is proud of his young men for their service. There is no greater gift than to give something and expect nothing back.

Mayor Johnson presented the staff and youth of the NYTC with a certificate. When you think of the Green Up Clean Up day and the amount of volunteers, and you put all of those hours together, that is a gift to the community of about \$500,000. The youth were part of that great gift to the Elko Community. Thank you from the City of Elko.

Mike Hess, Landfill Supervisor, thanked the youth and staff. Without them we couldn't do this.

- B. Reading of a Proclamation by the Mayor recognizing Newmont Mining Corporation's Carlin Trend Operations 50th Anniversary.

Mayor Johnson read the Proclamation and presented it to some Newmont Mining Corporation representatives.

Mary Korpi, Newmont Mining Corporation, said we are all in this together. It is a community success. We couldn't do it without the support from the City of Elko, community members or businesses. Here we are after 50 years with a new project, Long Canyon, in front of us. We hope in another 50 years that some of us that are still around can continue to reap some of those benefits.

II. APPROPRIATIONS

- C. Review, consideration, and possible approval to accept Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant #45 (formerly AIP Grant #46) for Runway 5/23 Rehabilitation-Phase 3, and matters related thereto. **FOR POSSIBLE ACTION**

This item is contingent upon the receipt of an “Authorization to Award” letter from the Federal Aviation Administration. Authorization to apply for AIP Grant #45 (formerly AIP Grant #46) was obtained at the February 10, 2015 City Council meeting.

AIP Grant #45 is an FAA entitlement and discretionary grant scheduled to be awarded to the City of Elko for various airport improvements, including Runway 5/23 Rehabilitation, Runway Shoulder Construction, Runway Lighting System Improvements, and Precision Approach Path Indicator (PAPI) installation. The project completes the third and final phase of the improvements to the runway infrastructure and is scheduled to commence in late summer 2015. RH

Mayor Johnson noted council was asked to table this item and Items D and E because the city has not received the grant award from the FAA.

**** A motion was made by Councilman Rice, seconded by Councilman Schmidlein, to table Items C, D and E.**

The motion passed unanimously. (5-0)

- D. Review, consideration, and possible award of a bid for the Runway 5/23 Rehabilitation Project-Phase 3, including Runway and Taxiway Connector Rehabilitation, and Shoulder Paving; Runway Designation Change; and the Installation of Runway Precision Approach Path Indicator (PAPI), and matters related thereto. **FOR POSSIBLE ACTION**

This item is contingent upon Council accepting AIP Grant #45 (formerly AIP Grant #46).

Bids were opened on March 31, 2014 at 3:00 p.m., the apparent low bidder will be provided to Council during open discussion. The Runway 5/23 Rehabilitation Project-Phase 3 is intended to correct numerous pavement issues on Runway 5/23, replace Runway 5/23 Visual Slope Indicators, and restore the Runway Safety Area to FAA standards. RH

This item was tabled in the above motion.

- E. Review and approve a FAA reimbursable agreement to replace Runway 5/23 Visual Approach Slope Indicators (VASIs) with Upgraded Precision Approach Path Indicator (PAPIs), and matters related thereto. **FOR POSSIBLE ACTION**

On February 24, 2015, Council approved the airport to enter into negotiations with the Federal Aviation Administration Air Traffic Organization to replace the 1976 Visual Approach Slope Indicators (VASI) with new Precision Approach Path Indicators (PAPI). Although the initial cost estimate was \$250,000, the FAA has revised the estimate to \$162,835.66. Under the reimbursable agreement, the City is responsible for advancing \$162,835.66 to the FAA and will be subsequently reimbursed 93.75% upon disbursement of AIP Grant #45. The City’s match (6.25%) for this project is estimated to be \$10,177.23. RH

This item was tabled in the above motion.

- F. Review, consideration, and possible authorization for Staff to solicit bids for the Public Works Department Preventive Maintenance Project 2015, to apply Micro Slurry Seal to select City streets, and matters related thereto. **FOR POSSIBLE ACTION**

Micro Slurry Seal is a preventive maintenance treatment, which will be applied to approximately 37,412 l.f. of selected city streets that were identified, and adopted as part of the City of Elko Street Inventory. This work will be completed after July 1, 2015. DS

Dennis Strickland, Public Works Director, explained the project.

**** A motion was made by Councilman Schmittlein, seconded by Councilman Rice, to authorize staff to solicit bids for the Public Works Department Street Maintenance Project for 2015.**

The motion passed unanimously. (5-0)

III. SUBDIVISIONS

- A. Review, consideration, and possible action to conditionally approve Final Plat No. 5-15 for the Great Basin Estates Phase 1 subdivision, filed by Parrado Partners LP, for the proposed division of approximately 58.167 acres into 24 lots and two remainder parcels for residential development within an R (Single Family and Multiple Family Residential) Zoning District located generally on the north side of Clarkson Drive approximately 725 feet east of 12th Street, and matters related thereto. **FOR POSSIBLE ACTION**

Jeremy Draper, Development Manager, explained we just recently heard the preliminary plat for this. This is a final plat for the first phase. The only item that was of a concern is this is in a FEMA flood zone but he has a CLOMR for this area. He recommended approval with the Planning Commission conditions.

**** A motion was made by Councilwoman Simons, seconded by Councilman Rice, to conditionally approve Final Plat No. 5-15 for the Great Basin Estates Phase 1 subdivision subject to the conditions as recommended by the Planning Commission.**

The motion passed unanimously. (5-0)

- B. Review, consideration, and possible acceptance of public improvements for The Pointe Phase 2B, and matters related thereto. **FOR POSSIBLE ACTION**

Council approved the Final Map for The Pointe 2B on July 23, 2013. The developer has substantially completed the public improvements in accordance with the approved plans. The City is in receipt of the required certification of the project by the Engineer of Record. The developer will post a maintenance bond in

the amount of \$46,811.90 with the City for the twelve month maintenance period upon acceptance of the public improvements. JD

Mr. Draper explained this is The Pointe 2B. All public improvements have been completed. He recommended acceptance.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to accept The Pointe Phase 2B public improvements.**

The motion passed unanimously. (5-0)

- C. Review, consideration, and possible action to conditionally approve Final Plat No. 4-15 for the Tower Hill Unit 2 subdivision, filed by Jordanelle Third Mortgage LLC, for the proposed division of approximately 17.050 acres into 23 lots and a remainder parcel for residential development within an R1 (Single Family Residential) Zoning District located approximately 130 feet southwest of the terminus of Stitzel Road (a portion of APN 001-920-079), and matters related thereto. **FOR POSSIBLE ACTION**

Mr. Draper explained this is above the Landfill with access off Pinion Road. They plan on starting construction next week. He recommended approval as recommended by the Planning Commission.

Councilman Rice asked if there were any unusual conditions.

Mr. Draper answered there is frontage along Lamoille Hwy. Council took action to design a shared use pathway and they will be responsible for a portion of that path.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, to conditionally approve Final Plat No. 4-15 for the Tower Hill Unit 2 subdivision subject to conditions as recommended by the Planning Commission.**

The motion passed unanimously. (5-0)

IV. UNFINISHED BUSINESS

- A. Review, consideration, and possible direction to Staff with regard to a proposed Development Agreement with Artisan East, LLC, including possible action to terminate further efforts to establish a Development Agreement with Artisan East, LLC, and matters related thereto. **FOR POSSIBLE ACTION**

The City Council took no action on this item during the April 28, 2015 Council meeting.

Council took action at its meeting on April 8, 2014 directing Staff to follow the procedures outlined in Section 3-2-26 of City code pending Council action addressing possible third party funding for the Cattle Drive Phase 1 infrastructure. The Council also took action on April 8, 2014 authorizing a letter signed by the

Mayor to Newmont and Barrick to request an economic development grant in the amount of \$400,000 for distribution by NNRDA covering a portion of the cost for the proposed project. Third party funding commitments were received on or about December 2014. Subsequent to the funding commitment by Newmont and Barrick, City Staff continued to act in good faith and outside of the City's obligations contained in the proposed agreement, acquiring required easements to facilitate construction of the water main serving the Exit 298 area. On April 8, 2015 Staff informed Artisan that the easements would be considered by the Council on the April 14, 2015 and requested that the Cattle Drive right-of-way be recorded by April 20, 2015. Staff informed Artisan that failure to record the Cattle Drive right-of-way by April 20, 2015, the proposed agreement would be placed on the April 28, 2015 for City Council reconsideration of its prior actions regarding the proposed development agreement. SAW

Mayor Johnson wanted to start with City Council to see which way they would like to go. The question is whether or not the city should have a development agreement. He wanted the city to continue on a more conventional development tract.

Councilman Keener thought we were going to need to lean on Mr. Wilkinson since he has spent so much time working on this.

Councilman Rice agreed with Mayor Johnson. We had an opportunity to do this a different way and we have been at this for a couple of years. We are not any closer to getting this done than we were two years ago. We may need to go back to the conventional way of development.

Councilwoman Simons wanted to hear from Artisan after we hear from Mr. Wilkinson.

Scott Wilkinson, Assistant City Manager, explained council took action to finalize the development agreement over a year ago. City staff has been able to go out and get the required easements. Staff requested that Artisan record the Cattle Drive right-of-way that was approved by council some time ago. He wanted to hear Artisan's proposal.

Curtis Calder, City Manager, pointed out we can't build the project without the Cattle Drive right-of-way.

Ryan Limberg, Utilities Director, said we have had the money budgeted for the project for a couple of years. It would be important from the utility perspective to move this forward.

Jack Reynan, Artisan, said the narrative was correct. They thought the city was going to put in the waterline so they allocated the money towards other projects. They would like to move forward with this project but they are asking the city to reimburse them for the engineering costs for the waterline. They also don't want site specific fees on the project for 10 years and that the sewer understanding be the same as it was in the development agreement.

Jon Bailey, 780 W. Silver Street, is interested in the city taking a step back and looking at the overall picture. There is no reason to jump into a development agreement. Maybe the city can look at other areas of town. When this started there was a big demand for industrial development and mine support but some of that has waned a bit.

Mike Lattin, 3250 Sundance Drive, heard Mr. Reynan say \$7 million for development of Cattle Drive that the city will pay for.

Mr. Reynan corrected that the city will not be paying that.

Mayor Johnson felt they needed to start focusing on a motion.

Mr. Wilkinson clarified in the fall of 2014 the city did not propose that the water line be a city project. Artisan had proposed that instead. Artisan proposed that Cattle Drive would be built over time so you wouldn't see that cost up front. We have been looking at this for quite some time. It is time to reconsider our options.

Mayor Johnson noted the proposed motion.

Councilman Keener asked if Mr. Wilkinson had any concerns with Mr. Reynan's requests.

Mr. Wilkinson answered that would be council's pleasure. They have concerns they will spend a great deal of time working on another development agreement. He has concerns with continuing efforts. We can spend a great deal of time on the smallest of issues.

Councilman Schmidlein said the last time we voted on this he recalled that Artisan was not committed to any outright purchases. We committed close to \$5 million in costs to develop the sewer infrastructure, the water line, obtaining money from Newmont & Barrick and nothing has changed as far as he can see. He felt the agreement is stagnant. He is in favor of termination.

Mr. Limberg added he had no concerns on proposed items 2 or 3 that Mr. Reynan spoke about but he felt the right-of-way should be granted first before they consider any reimbursements. Without the right-of-way nothing happens regardless.

Councilman Rice agreed. We have not done this with other developers.

Mr. Wilkinson said staff will need some time to evaluate the appropriate mechanism for a reimbursement. The costs were provided late Friday afternoon and staff has not had enough time to review it.

Councilman Rice said the prize is a waterline to that area. In his opinion he would like to have water there sooner rather than later so we don't miss out on any other opportunities. He liked the proposed motion.

Councilwoman Simons asked if we used the recommended motion it doesn't specifically address Mr. Reynan's concerns.

Mayor Johnson felt the only thing that Mr. Reynan was proposing that wasn't part of the proposed motion was for the next ten years, not being charged an impact fee.

Dave Stanton, City Attorney, said that would be beyond the scope of the agenda item. The way the item reads is that it discusses some of these issues in general terms. When you start getting

into specifics and changes to the agreement it is not agenda'd for that. We can terminate discussions on the agreement but we cannot modify the terms of the agreement.

Mayor Johnson asked if the developer wanted to continue down that path they would have to request another agenda item. (yes)

Mike Lattin said we are talking about \$1.6 million for water and \$3.6 million for sewer. It is vacant, undeveloped land. In his opinion it is speculative to invest the rate payer's money. A better way to develop this would be to create a 318 General Improvement District or NRS271 Special Assessment District where the benefiting property owners would pay for these improvements as part of their tax bill and not the rate payers paying for it.

Mr. Reynan said as far as reimbursing for the plans, he would hope the city would do that. The plans are needed to construct the waterline.

Mr. Stanton said in terms of reimbursing Artisan for the design plans that Manhard prepared, that is acquiring a professional service. It would fall under that category under 322 where you can acquire professional services by agreement without going through the public bidding process. There is a mechanism for doing that. It has to be done by contract. It is not something that we can resolve tonight because of the way the matter is agenda'd. We could come back with a proposed contract to purchase the design plans as a separate matter. It wouldn't be part of a development agreement. They could come back with something.

Mr. Wilkinson said the plans are of no use to the city if we do not have a right-of-way to construct the waterline.

John Reynan, Artisan, said the city attorney talks about a development agreement but there isn't one. The city should take into consideration that they should be reimbursed for what they put out.

Councilwoman Simons noted the reason they cannot address the reimbursement tonight is because of the way this item is agenda'd and open meeting laws.

Councilman Rice said the plans have no value to us if we do not have the right-of-way.

Mayor Johnson asked Mr. Stanton what we are limited to tonight.

Mr. Stanton said the way the matter is agenda'd we are talking about terminating further efforts to develop this development agreement. The failure to record the right-of-way by a specific date is an issue and can be discussed. The issue of easements to facilitate construction of the waterline has been discussed. He doesn't see anything in the agenda item about acquiring the rights to the design plans for the waterline.

Mayor Johnson asked if the city could put a stipulation in the motion that the city would not consider reimbursing for engineering until the right-of-way was recorded.

Mr. Stanton did not see that and felt it was beyond the agenda item. City Council can provide direction to staff to work with legal counsel to develop possible alternatives for the acquisition of

rights to the waterline. In terms of placing a condition on that, it seems to be beyond the way the matter was agenda'd.

Mr. Reynan felt it was reasonable that the city reimburse them for the engineering after the right-of-way is recorded.

Councilman Rice asked if the city did not agree to reimburse the engineering costs, what would happen.

Mr. Reynan answered we may not have a project then.

Councilman Keener noted the Millers were present and he wondered if they had a comment.

Sidnie Miller said the paperwork is frustrating. She didn't understand why we can't make a decision.

Bruce Miller said they have an agreement with Mr. Reynan.

**** A motion was made by Councilwoman Simons, seconded by Councilman Keener, to terminate further efforts to establish a development agreement with Artisan East LLC for the Exit 298 area and direct staff to work with the property owners for the possible recordation of the Cattle Drive right-of-way within the next 30 days and direct staff to work with the City Attorney to determine possible alternatives for acquisition of rights to the waterline project plans.**

The motion passed unanimously. (5-0)

After the motion and before the vote, Councilman Rice asked are we able given the agreement between the Millers and Artisan, to work directly with the Millers.

Mr. Reynan answered said the city needs to work with Artisan. We have paid the money and significant consideration for the right.

Councilman Rice said the right-of-way needs to be secured from the Millers.

Mr. Reynan said city staff could talk to the Millers but they need to include Artisan.

Council voted on the motion.

V. NEW BUSINESS

- A. Review, discussion, and possible approval of a request from SkyWest Airlines to grant temporary relief of airport terminal lease rents for the period of August 19-September 27, 2015, and matters related thereto. **FOR POSSIBLE ACTION**

Elko Regional Airport will be closing the primary commercial service runway from August 18-September 28, 2015 for major reconstruction. This construction will preclude SkyWest Airlines from servicing this market during the closure period. SkyWest Airlines respectfully requests relief from paying airport terminal

rents that total \$8,795.50 per month in 2015 during the closure period. It is the pleasure of the Council to determine if such relief is warranted. RH

Rick Hofheins, Assistant Airport Director, explained it boils down to council's pleasure.

Councilman Schmidlein asked if we approve this are we setting precedence for all other leases to follow suit.

Councilman Keener noted the same thing. How was this handled last time?

Curtis Calder, City Manager, didn't know if Skywest was flying into the airport during the last time. The current agreement with Skywest doesn't address this but the car rental agreements do. The car rental places may see one month being waived. The food concession will stay open and can still continue to operate. The terminal building will not close and Skywest will not move their things out during the closure.

Councilman Keener asked about the other tenants that may be affected.

Mr. Calder answered Summit Air may have to relocate their operations due to the size of their aircraft. American Med Flight may have to move too. Whoever does the UPS operation will be impacted.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, to deny SkyWest Airlines request for relief for paying airport terminal rents totaling \$8,795.00 per month for the period August 19, 2015 through September 28, 2015.**

The motion passed unanimously. (5-0)

After the motion and before the second and the vote, Councilman Keener asked how this will be perceived by SkyWest.

Mr. Calder said they have met with SkyWest a number of times during this project (this is phase 3 of an ongoing project) and this issue has never come up. They will understand it as a precedent standpoint. They would probably prefer not to pay it because they will not be able to operate. If there is a large reaction we could bring it back to council and let you know how they reacted.

Councilman Keener seconded the motion.

Councilman Schmidlein asked if we granted this and the other three parties that were mentioned, what dollar figure are we looking at. Did they want to be prorated for part of August and all of September or is this based strictly on the month of September.

Mr. Calder said he only knows what is in the packet and the emails and it looks like they want a proration. You could be looking at \$20,000 to \$30,000 depending on the requests.

Council voted on the motion.

- B. Review, consideration and possible retroactive approval of a Non-Exclusive Franchise Agreement between the City of Elko and Southwest Gas Corporation for natural gas service in the City of Elko, and matters related thereto. **FOR POSSIBLE ACTION**

Southwest Gas currently provides natural gas service in the City of Elko pursuant to that certain franchise granted pursuant to City Ordinance 157 and extended pursuant to City Ordinance 400. The existing franchise with the City of Elko expired on or about April 24, 2015. The effective date of the proposed agreement is April 25, 2015; the term of the agreement is for a period of 25 years from the effective date, expiring on April 25, 2040.

The agreement stipulates the following franchise fees:

1. Period beginning April 25, 2015 through March 31, 2017 – 2%
 2. Period beginning April 1, 2017 through March 31, 2019 - 3%
 3. Period beginning April 1, 2019 through March 31, 2021 – 4%
 4. Period beginning April 1, 2021 for the remainder of the term – 5%
- SAW

Scott Wilkinson, Assistant City Manager, apologized for not having this agreement ready before the last one expired. They had to spend some time to work through some language. There was a representative from Southwest Gas present. You can see the stepped increase over the term of the agreement. Currently the existing franchise has been at 2% for the term of the agreement. Our utility department pays 2.5% and our other franchises are at 2%. We are looking at a period of 25 years and we want to see an increase.

**** A motion was made by Councilman Rice, seconded by Councilwoman Simons, to approve a Non-Exclusive Franchise Agreement between the City of Elko and Southwest Gas Corporation for natural gas service in the City of Elko as presented.**

The motion passed unanimously. (5-0)

After the motion and before the vote, Councilman Schmidlein asked on the increases of the 5%, would that come as a standard or is that predicting inflation in the near future. Every year things go up. He was curious if everyone agreed to that or not.

Mayor Johnson asked how that compares to other agreements.

Dawn Stout, Administrative Services Director, answered they fashioned this agreement after another franchise agreement Southwest Gas has with Fallon. We looked to see what the industry standard was and what was happening around the state before we decided to look at these increases.

Council voted on the motion.

VI. PETITIONS, APPEALS, AND COMMUNICATIONS

- A. Review, consideration, and possible action to accept a petition for annexation of property to the city, filed and processed as Annexation No. 2-15 by Bailey & Associates, LLC, consisting of approximately 3.00 acres of property located generally on the west side of Sagecrest Drive approximately 665 feet north of Mountain City Highway, and matters related thereto. **FOR POSSIBLE ACTION**

Jeremy Draper, Development Manager, showed the property on the overhead screen. Mr. Bailey would like to bring this piece into the city. He would like this forwarded to Planning Commission for approval and recommendation back to council.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to forward Annexation No. 2-15 by Bailey & Associates, LLC to the City Planning Commission for evaluation.**

The motion passed unanimously. (5-0)

- B. Review, consideration, and possible action to accept a petition for annexation of property to the city, filed and processed as Annexation No. 1-15 by Surebrec Holdings LLC, consisting of approximately 41.4 acres of property located approximately 1,650 feet southwest of the intersection of E. Idaho Street and Youth Center Road, and matters related thereto. **FOR POSSIBLE ACTION**

Mr. Draper explained we heard this one a couple of months ago. It changed owners and now they need to start the process again.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to remand Annexation No. 1-15 by Surebrec Holdings LLC to Planning Commission for evaluation.**

The motion passed unanimously. (5-0)

VIII. REPORTS

- A. Mayor and City Council

Councilman Keener reported he attended the Planning Commission meeting this last week and he was impressed by the deliberation of that board. He drove by the homeless camp and it looks about ready to go.

Councilwoman Simons reported she had a baby last Wednesday named Merrick Clay Simons.

Mayor Johnson talked about the Green Up Clean Up day. He was invited to a volunteer group to clean up yards for the elderly. Elko always has a great volunteer base.

- B. City Manager – 2015 Legislative Update

Curtis Calder gave an update on SB125 (the air service development bill). It had a hearing last Friday and it is in the Senate Finance Committee.

- C. Assistant City Manager – FISH Homeless Camp Update

Scott Wilkinson updated on the homeless camp. They are into the second week of operation and things are off to a slow start. Some people have moved in.

- D. Utilities Director
Ryan Limberg reported there have been some foaming digester problems the last couple of weeks at the treatment plant. They received their shipment of product to deal with that.
- E. Public Works
- F. Airport Director
- G. City Attorney
- H. Fire Chief
Matt Griego invited everyone to a Wildland Firefighter Preparedness Day at Home Depot on Saturday, May 23, 2015.
- I. Police Chief
Ben Reed Jr. reported one of their newest police officers just graduated from POST. There was a memorial service for John Hamilton who retired from the City last July. He invited everyone to the 2nd Annual Law Enforcement Memorial Ceremony at the NHP back office parking area tomorrow night at 7:00 pm.
- J. City Clerk
- K. City Planner -Rezone No. 3-15 and Rezone No. 5-15
Rick Magness reported that at the last Planning Commission meeting there were some rezones that were discussed. One was Rezone 3-15 from Agricultural to Industrial/Commercial. The other was Rezone 5-15 by Gary Morfin from General Commercial to Residential Office. There is an Open Meeting Law class being offered by NNRDA on Thursday, May 14, 2015 from 1:00 to 3:00 pm. The RDA meeting has been moved to this Friday due to a scheduling conflict.
- L. Development Manager – Police Station Project Update
Jeremy Draper reported on the Police Station progress. He discussed some possible change orders. The tennis court project; the contractor was supposed to be here last week but they never showed up. They got some confirmation from Mr. Trethaway is willing to give the city the right-of-way for the Errecart alignment.
- M. Administrative Services Director – Consolidated Sales Tax Update; Final Budget
Dawn Stout reported on the sales tax numbers. The final budget hearing is next Tuesday, May 19, 2015.
- N. Parks and Recreation Director
James Wiley reported on the status of the softball season. The city league started last night. He has met with the private league and they have discussed an agreement.
- O. Civil Engineer
- P. Building Official

BREAK

Councilwoman Simons left the meeting during the break and before Public Hearings.

VII. 6:00 P.M. PUBLIC HEARINGS

- A. Second reading, public hearing, and possible adoption of Ordinance No. 794, an ordinance amending Title 4, Chapter 6, Sections 2, 6, and 10 of the Elko City Code entitled "Room Tax" by increasing the tax on transient lodging from twelve percent (12%) to fourteen percent (14%) effective July 1, 2015, and matters related thereto. **FOR POSSIBLE ACTION**

Dawn Stout, Administrative Services Director, explained we changed the effective date to July 1, 2015.

Mayor Johnson called for public comment.

John Carpenter would like to see more detail as to where the money is going and what you are going to do with it. He felt the people collecting the tax should be able to tell the people that are paying it what it is going to be used for. It is not right to increase the tax like this without any explanation.

Don Newman, ECVA, noted in conversation with other lodging members they would like the money to be earmarked as close as possible to go to the ball fields.

Councilman Keener said the comments are duly noted.

Councilman Schmidlein said he realizes we are approving the tax increase but he would like to see more detail as to how this money will be distributed. We have been asking for months how much money is going to come out of the sewer fund to help pay for the irrigation project at the golf course.

Ms. Stout said she has checked with the Department of Taxation to find out how much she can use for that project. Based on what we estimate the cost of the infrastructure would be to process the amount of effluent that will be distributed to the golf course that cost to the sewer fund is about \$1.1 million.

Councilman Schmidlein asked on the golf course, for the 27,000 rounds that are played, is there such a spreadsheet that shows all the numbers of the cardholders, how many rounds are played under the passes and how many rounds are played for the public.

Ms. Stout answered they do have that information.

Councilman Schmidlein said he heard there is a survey that was done that said 14% of the room occupancy in the summer months play golf. If that is the case he would like to see the survey.

Ms. Stout said the city did not do the survey and she is not aware of it.

Mr. Calder said if the ordinance is adopted and effective July 1, the next step would be to work with Andy Artusa to develop the bonding criteria. We will start seeing specifics.

Ms. Stout said with the California Trails bonds being refunded, if we make this just one bond issue then we will only pay those fees once instead of twice.

John Carpenter asked if you are only going to get \$1 million out of the sewer fund that still leaves \$2 million for the golf course. This \$500,000 for ten years is only going to bring in about 3% interest. There is very little that is going to go into the ball fields.

Mayor Johnson said there is still a balance in the Rec Fund. The numbers have been presented.

John Carpenter felt there wasn't enough money to do the projects.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to adopt Ordinance No. 794 with the increase being effective July 1, 2015.**

The motion passed unanimously. (4-0)

II. APPROPRIATIONS (Cont.)

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

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

The motion passed unanimously. (4-0)

B. Review and possible approval of Print 'N Copy Warrants. **FOR POSSIBLE ACTION**

**** A motion was made by Councilman Rice, seconded by Councilman Schmidlein, to approve the Print 'N Copy warrants.**

The motion passed. (3-0 Councilman Keener abstained.)

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