

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

SS June 27, 2017

The City Council of the City of Elko, State of Nevada met for a regular meeting beginning at 4:00 p.m., Tuesday, June 27, 2017.

This meeting was called to order by Mayor Chris Johnson.

ROLL CALL

Mayor Present: Chris J. Johnson

Council Present: Councilman John Rice
Councilman Robert Schmidlein
Councilman Reece Keener

Council Excused: Councilwoman Mandy Simons

City Staff Present: Curtis Calder, City Manager
Scott Wilkinson, Assistant City Manager
Ryan Limberg, Utilities Director
Jonnye Jund, Administrative Services Director
Aubree Barnum, Human Resources Manager
Cathy Laughlin, City Planner
Ben Reed Jr., Police Chief
Dennis Strickland, Public Works Director
Bob Thibault, Civil Engineer
Ted Schnoor, Building Official
Jack Snyder, Deputy Fire Chief
John Holmes, Fire Marshal
James Foster, Airport Manager
Dave Stanton, City Attorney
Kara Vera, Minutes Clerk

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**

Gil Hernandez, 1316 7th Street, said the VFW are the caretakers of the "E". We are in the process of getting the "E" painted. It will be done this Saturday. He wanted to inform the council of what was going on and potentially ask for donations in the future. In 1917 they started painting the "E." The "E" is located on private property and it is owned by the community, not the VFW. The VFW

is asking if the City can start putting money away for the upkeep of the “E.” They will start asking for donations. It’s been 12 years since it’s been painted. They are in need of another paint sprayer and more volunteers for the work this Saturday. He thanked the City for helping them in the past.

APPROVAL OF MINUTES: June 13, 2017 **Regular Session**

The minutes were approved by general consent.

I. PRESENTATION

Presentation of a Retirement Plaque to Building Official Ted Schnoor, and matters related thereto. **NON ACTION ITEM – INFORMATION ONLY**

Mayor Johnson presented Ted Schnoor, Building Official, with a retirement plaque. The city has been able to rely on him for his sound decisions. It’s been a tremendous pleasure having Mr. Schnoor work for the City of Elko.

Ted Schnoor, Building Official, said it has been his honor and privilege to serve the City of Elko. He has learned a lot over the last 12 years. He is also very proud of everything the Building Department has been able to achieve.

III. PERSONNEL

A. Employee Introductions:

- 1.) Jacob Altman, Patrol Officer, Police Department
Present and introduced.
- 2.) Erik Anderson, Patrol Officer, Police Department
Present and introduced.
- 3.) Payden Dingman, WRF Technician Trainee
Present and introduced.

IV. APPROPRIATIONS

C. Review, consideration, and possible award of the Centennial Park Electrical Improvements Project, to construct the electrical upgrades necessary for the Centennial park expansion and Chilton Centennial Tower, and matters related thereto. **FOR POSSIBLE ACTION**

At their May 23rd, 2017 meeting, Council authorized Staff to solicit bids for the Centennial Park Electrical Improvements project. Bids were received until 3:00 p.m. on June 20th, 2017.

Bob Thibault, Civil Engineer, said it was legal counsel’s recommendation to reject the bid due to some deficiencies. They did not self-list on the 1% or the 5% contractors list. He recommended allowing staff to rebid the project. The estimate for the project was \$100,000 and the bid was \$175,959.40. The overall project budget is \$200,000 but it was intended to also complete the site

improvements. The overhead lines also have to be removed, which is going to cost \$50,000 and would put us over budget.

Councilman Keener said it makes sense to go out to bid again and direct staff to make inquiries with contractors and not require a pre-bid meeting.

Mr. Thibault said in the past they have had problems when contractors don't attend the pre-bid meeting because they don't get all of the information or they overlook things in their bid. They will make the pre-bid meeting optional on this one. He has been trying to find an unbiased way to reach out to contractors. He decided to reach out to all contractors licensed within certain categories from a list from the State Contractor's Board. We can then encourage them to enroll in the email list to receive opportunity notifications.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to reject all bids for the Centennial Park Electrical Improvements Project and authorize staff to rebid the project with an optional pre-bid meeting, noting Mr. Thibault's willingness to contact contractors within certain categories.**

The motion passed unanimously. (4-0)

- D. Review, consideration, and possible award of the Chilton Centennial Tower Project, to construct the tower and foundation, and matters related thereto. **FOR POSSIBLE ACTION**

At their May 23rd, 2017 meeting, Council authorized Staff to solicit bids for the Chilton Centennial Tower project, Bids were received until 3:00 p.m. on June 20th, 2017.

Mr. Thibault explained this was a similar situation. There was only one bidder with deficiencies within the bid. There was no copy of a contractor's license submitted, no 1% subcontractor list or a Secretary of State License submitted. The bid was close to the estimate coming in at \$183,860.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, to reject all bids for the Chilton Centennial Tower Project and authorize staff to rebid the project.**

The motion passed unanimously. (4-0)

- E. Review and possible approval of Airport Liability Insurance Policy for FY 2017/2018, and matters related thereto. **FOR POSSIBLE ACTION**

LP Insurance Services, Inc. has competitively sought airport liability insurance for the upcoming fiscal year. Based on quotes received, the lowest quote was AIG Aerospace, who is also our current provider, with a premium of \$7,338.00/year. This represents a slight increase over the current premium of \$7,305.00 for the same level of coverage.

James Foster, Airport Manager, said it was the same coverage we currently have.

John Smales, 2096 Sawyer Way, said one of the cons was it doesn't cover liability for acrobatics or anything in the sky during airshows, it only covers the planes while they are on the ground.

Councilman Rice asked if someone wanted to do an airshow would they just get a different insurance policy.

Mr. Smales answered yes. They would likely do a special event policy for that specific thing.

Mr. Foster said we would coordinate that through the Flight Standards District Office in Reno. They have special provisions they provide for an airshow or static display. The event coordinator would provide their own stuff for that.

**** A motion was made by Councilman Keener, seconded by Councilman Schmidlein, to approve the AIG Aerospace insurance for the airport in the insured amount of \$20 million for fiscal year 2017-2018 with the annual policy amount of \$7,338.**

The motion passed unanimously. (4-0)

- F. Review, consideration, and possible issuance of final acceptance for the Sewer Slip Line Project 2017, and matters related thereto. **FOR POSSIBLE ACTION**

The project is complete. There was one change order, both additive and deductive, which resulted in an overall price increase of \$358.50.

**** A motion was made by Councilman Schmidlein, seconded by Councilman Rice, to issue final acceptance for the Sewer Slip Line Project for 2017.**

The motion passed unanimously. (4-0)

V. UNFINISHED BUSINESS

- A. Review, consideration, and possible authorization to pursue further action against the Ormaza Family Trust for failure to adhere to the conditions found in the Curb, Gutter and Sidewalk Waiver #3-02 between the City of Elko and Ormaza Family Trust dated October 30, 2002, and matters related thereto. **FOR POSSIBLE ACTION**

In October 2002, the City of Elko entered into an agreement with the Ormaza Family Trust. Which allowed for the temporary waiver of Curb, Gutter and Sidewalk improvements, until such time as the City of Elko completes the design for the improvements. In accordance with the agreement, the City of Elko has provided the required 90 days written notification to the Ormaza Family Trust on several occasions since 2012 when construction plans for Manzanita Lane were completed.

The City of Elko Development Department has attempted to work with the Ormaza Family Trust since 2012 in an effort to call the referenced deferral. Each notice to

the Ormaza Family Trust has gone unanswered, with no formal response provided by the Ormaza Family Trust.

This item was tabled at the June 13, 2017 meeting at the request of Mr. Ormaza to allow him time to prepare a timeframe for completed the improvements as stated in the agreement.

Pedro Ormaza, 225 Silver Street, said his lawyer didn't think the agreement was enforceable. One property is vacant and the other property has been sold. The agreement states that this is binding on the new owners but the city has not had the new owner comply with the parcel requirements. The city has not given a construction schedule as to when Manzanita will be paved. He was willing to put the curb, gutter and sidewalk in within 90 days upon the completion of paving and completion of improvements by the city or when the other deferment agreements have been enforced on Manzanita and there is a timeline of all other property owners to comply with. Apparently there are 5 or 6 other property owners that have not complied with the improvements and I am the only one to come before the council

Councilman Keener said Redburn's project is being held up because they are waiting for the improvements to be completed. Mr. Ormaza had stated that he wanted to avoid unnecessary lawyer fees but he has lawyered up on this matter.

Mr. Ormaza said he asked for the lawyer's advice so he could come back with a response to the City. He would like to put in his improvements but questioned why he was the only one the city was pursuing out of the 5 or 6 other deferment property owners.

Scott Wilkinson, Assistant City Manager, said he would have to look at the list to verify how many other deferments were on Manzanita. Staff was taking those steps because it's holding up other projects. The City of Elko is taking all opportunities to address those improvements that need to be done. An important point you made is there is a legal opinion that the contract wasn't enforceable. He would recommend directing staff to get legal counsel to confirm or deny that.

Councilman Rice pointed out that Mr. Ormaza said he would do the improvements as soon as the city paved.

Mr. Ormaza thought that was in the original deferral. It states that 90 days before you have a schedule of paving of Manzanita, then he has 90 days to get the curb, gutter and sidewalk in.

Mr. Wilkinson agreed that the agreement doesn't address which areas would be reconstructed.

Mr. Ormaza asked if he put in the curb, gutter and sidewalk tomorrow, in 90 days the City would put in pavement.

Mr. Wilkinson said they are not agreeing to that. We are asking you to do that so when we get to that point, then we can go back to Redburn and ask them to do some paving. Then if those vacant properties were to develop they can complete the street improvements there.

Councilman Rice asked if Mr. Ormaza signed the agreement.

Mr. Ormaza answered no, his father signed the agreement. He was okay with coming up with a date as long as everyone could come up with a date everyone can comply with.

Mr. Wilkinson asked if he suggested the issue be tabled.

Councilman Schmidlein agreed with what Mr. Ormaza was asking for, to bring forth the other people who need to do improvements and have everyone commit to a specific date.

Councilman Rice was in agreement to get all the deferrals on the table. While we are at it, let's get the list of all the deferrals that are out in the City. It is our intention to make good on all of those waivers.

Mr. Wilkinson said there was one other person on the spreadsheet he was looking at, and he would verify if that was the case.

**** A motion was made by Councilman Rice, seconded by Councilman Schmidlein, to table.**

The motion passed unanimously. (4-0)

- B. Review and possible award of the Airport Food & Beverage Concessionaire to Deann Descutner, and matters related thereto. **FOR POSSIBLE ACTION**

After several advertising attempts, the City received one (1) completed proposal from Deann Descutner. Staff has reviewed the proposal and it appears to meet all of the requirements requested in the Request for Proposals. Therefore, Staff recommends negotiating a Food/Beverage Concession Agreement with Deann Descutner to be brought back to the City Council for possible approval.

Jim Foster, Airport Manager, said they have gone out to bid many times and finally had one person approach them.

**** A motion was made by Councilman Keener, seconded by Councilman Schmidlein, to award the Airport Food & Beverage Concessionaire to Deann Duscutner, and bring back a concession agreement.**

The motion passed unanimously. (4-0)

VI. NEW BUSINESS

- A. Review and possible approval of a twenty (20) year Electrical System Franchise Agreement Granted to Sierra Pacific Power Company, D/B/A NV Energy, and matters related thereto. **FOR POSSIBLE ACTION**

The City of Elko and NV Energy have been actively negotiating a successor Franchise Agreement. Aside from format, major changes include incremental increases in Franchise Fees, from the current 2% to 5% by October 1, 2021.

A copy of the proposed Franchise Agreement has been enclosed in the agenda packet for review. If approved, an ordinance must be adopted which increases the Franchise Fees accordingly.

Linda Bissett, NV Energy Government Relations for Northern Nevada, along with some of the folks from the local office, were present to answer any questions City Council may have. She passed out a handout (Exhibit “A”).

John Krum, NV Energy Regional Engineer, said the Elko area is about 2,300 sq. miles. We are talking about 4 different substations, 13 different circuits, 500 miles of overhead primary and 270 miles of underground primary. They have approximately 17,700 customers just in this area. He went over the pictures that were handed out and the anomalies that they face.

Curtis Calder, City Manager, said since this is a new format and a standalone agreement, we don't envision putting the franchise agreement in the code. They plan on coming back to the next City Council Meeting to have the council pass an ordinance regarding the franchise fee increases. That will likely replace the existing code and we won't create a new chapter.

**** A motion was made by Councilman Rice, seconded by Councilman Schmidlein, to approve a 20-year Electrical System Franchise Agreement granted to Sierra Pacific Power Company DBA NV Energy.**

The motion passed unanimously. (4-0)

- B. Review, consideration, and possible acceptance of a Deed of Dedication for a slope and drainage easement across a portion of land owned by the City of Elko identified as APN 001-610-103, and matters related thereto. **FOR POSSIBLE ACTION**

During a recent inspection for the finalization of a house located within the Golden Hills Unit 2 subdivision it was discovered that the lot grading associated with the subdivision encroached into a parcel owned by the City of Elko. The approved plans for the subdivision did not indicate that an encroachment would take place as a part of the development of the subdivision. The grading encroach along the eight mile creek on a parcel identified as Parks and Opens Space in the Land Use Component of the City of Elko Master Plan. Staff has reviewed this encroachment and recommended that a slope and drainage easement be presented to council for consideration for dedication to address the concern of the encroachment. Staff would recommend that if approved the slope be stabilized to prevent erosion by the eight mile creek.

Scott Wilkinson, Assistant City Manager, explained you can see the extent of the grading on the overhead screen. We compared the encroachment to the FEMA floodway and to the future use of the property. We didn't believe granting an easement would impair the future uses of the property. If this develops into a linear park type use, having a stabilized slope there would present a feature to the area.

**** A motion was made by Councilman Schmidlein, seconded by Councilman Keener, to accept the Deed of Dedication for a slope and drainage easement as described in Exhibit A and shown in Exhibit B on a parcel of land owned by the City of Elko, identified as APN:**

001-610-103, requiring the developer of Golden Hills to stabilize the slope prior to recordation of the easement.

The motion passed unanimously. (4-0)

- C. Review, consideration, and possible approval of Revocable Permit No. 2-17, filed by GFL Properties LLC, to occupy a portion of Court Street right-of-way to accommodate on-street parking, located generally 160' southwest of the intersection of 4th Street and Court Street, and matters related thereto. **FOR POSSIBLE ACTION**

The applicant currently has a license agreement with the City of Elko for Revocable Permit 2-14 which was approved by City Council on May 27, 2014 for parking on Court Street. The applicant would like to extend the area to accommodate parking for several more vehicles as well as remove the blighted condition. The Planning Commission reviewed this item on June 6, 2017 and forward a recommendation to conditionally approve Revocable Permit 2-17.

Mr. Wilkinson pointed out this issue is related to repurposing a building in the downtown area, which is a good thing. It's a mixed use building and as they look at additional tenant improvements they are looking at increasing the parking. This is consistent with the RDA plan.

**** A motion was made by Councilman Schmidlein, seconded by Councilman Rice, to approve Revocable Permit No. 2-17, subject to execution of a standard license agreement between the applicant and the City of Elko.**

The motion passed unanimously. (4-0)

- D. Review, consideration, and possible approval of a license agreement between the City of Elko and Anita T. Anacabe, to occupy a portion of APN 001-265-011 as a central location for trash collection of the 400 Block, and matters related thereto. **FOR POSSIBLE ACTION**

The RDA approved an amendment to the RDA Budget to add an additional \$20,000 to the Alley Work Line Item and directed Staff to work with Elko Sanitation, and property owners Anita and Mike Franzoia on defining the project with additional information at their April 11, 2017 meeting. The RDA approved the 400 Block Project at their June 13, 2017 meeting.

Cathy Laughlin, City Planner, explained we are the actual applicants to occupy the property for 50 years.

Councilman Rice asked if the agreement becomes part of the property. (yes)

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to approve the license agreement between the City of Elko and Anita Anacabe Franzoia.**

The motion passed unanimously. (4-0)

- E. Review, consideration, and possible approval of an Administrative Services Agreement related to Humanitarian Campground between the City and FISH and matters related thereto. **FOR POSSIBLE ACTION**

The existing revocable license agreement for operation of the temporary humanitarian campground expired on April 16, 2017. FISH had a temporary use permit approved by the Planning Commission for a period of two years. The permit expired on April 7, 2017. FISH is unable to continue operation of the facility based on liability concerns. The FISH Board approved an agreement for Administrative Services related to the campground. The services would be limited to check in, including identification checks and camp site assignment. FISH will provide a current update to the City on Camp assignments. The term of the agreement is one year and shall automatically extend year-to-year until terminated by either party.

Scott Wilkinson, Assistant City Manager, explained FISH would be playing a smaller role in the operation of the humanitarian campground. One issue came up regarding liability insurance and all the parties being protected moving forward. The camp presented some difficulties for FISH that they couldn't overcome. They are still the central agency that will provide those services. We would recommend the council approve the agreement.

Councilman Rice asked if it would put additional burden on the city for management.

Mr. Wilkinson said it would be his responsibility to manage any issues at the camp. We don't have any problems day to day. It's not problematic.

Councilman Rice said we are doing this because it's the right thing to do and it falls outside the purview of our charter.

Mr. Wilkinson said we would reach out to other charitable organizations to partner with us and FISH. Having the facility is a benefit to the entire committee.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, to enter into an agreement for Administrative Services related to the campground for humanitarian purposes on City property with FISH.**

The motion passed unanimously. (4-0)

VII. RESOLUTIONS AND ORDINANCES

- A. Review, consideration, and possible approval of Resolution No. 19-17, a resolution authorizing the expenditure of funds by the Redevelopment Agency from its Special Revenue Fund in the amount of \$40,000, for the work proposed for the 400 Block Alley Project, and matters related thereto. **FOR POSSIBLE ACTION**

RDA approved expenditure of \$40,000 for the 400 Block Alley Project at their April 11, 2017 meeting. As per the Redevelopment Plan, City Council must give consent on the expenditures.

**** A motion was made by Councilman Schmidlein, seconded by Councilman Keener, to approve Resolution No. 19-17.**

The motion passed unanimously. (4-0)

- B. Review, consideration, and possible approval of Resolution No. 20-17, a resolution authorizing budget transfers for Fiscal Year 2016/2017 for various funds of the City pursuant to NRS 354.598005, and matters related thereto. **FOR POSSIBLE ACTION**

This is the annual year-end housekeeping item to transfer funds between functions, and funds as required to fund all budgetary changes that occurred during the fiscal year.

Jonnye Jund, Administrative Services Director, said these are annual transfers that we have to do when we move money around within the funds.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to approve Resolution No. 20-17 authorizing budget transfers for Fiscal Year 2016/2017 for all listed funds pursuant to NRS 354.598005.**

The motion passed unanimously. (4-0)

- C. Review, consideration, and possible approval of Resolution No. 21-17, a resolution designating components of the fund balance of all required governmental funds pursuant to GASB Statement #54, and matters related thereto. **FOR POSSIBLE ACTION**

The Governmental Accounting Standards Board (GASB) issued Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions, with the intent of improving financial reporting by providing fund balance categories that will be more easily understood. Resolution No. 21-17 further designates the components of all qualifying governmental fund balances.

**** A motion was made by Councilman Rice, seconded by Councilman Schmidlein, to approve Resolution No. 21-17, committing the fund balance of all required governmental funds pursuant to GASB Statement No. 54.**

The motion passed unanimously. (4-0)

- D. First reading of Ordinance No. 820, an ordinance repealing Title 2, Chapter 1 of the Elko City Code entitled "BUILDING REGULATIONS ADMINISTRATIVE CODE" and replacing it with a new Title 2, Chapter 1 of the Elko City Code entitled "BUILDING REGULATIONS ADMINISTRATIVE CODE" and matters related thereto. **FOR POSSIBLE ACTION**

The repealing and replacement of Title 2, Chapter 1 of the Elko City Code. This Chapter sets forth the requirements for the administration and enforcement of Title 2 (Building Regulations).

Ted Schnoor, Building Official, explained the administrative code regulates the building codes. This title is not directed toward any particular code cycle. It has been rewritten so it's easier for the City and professionals that use building codes. He explained some of the changes to the code.

Councilman Schmidlein asked why they need a C of O even if there is a punch list.

Mr. Schnoor answered most punch list issues aren't code related items. We want to make sure the life safety issues of that building are to code.

Councilman Keener asked if the wording is consistent with other communities. (yes) Did we get input from people within the building trades?

Mr. Schnoor answered not with an administrative code.

**** A motion was made by Councilman Keener, seconded by Councilman Schmidlein, to conduct the first reading of Ordinance No. 820, and direct staff to set the matter for Public Hearing, Second Reading and possible adoption.**

The motion passed unanimously. (4-0)

IX. 5:30 P.M. PUBLIC HEARINGS

- A. Review, consideration, and possible action to adopt Resolution No. 16-17, a resolution of the Elko City Council adopting a change in zoning district boundaries from RE (Residential Estate) to R (Single and Multiple Family Residential) approximately 22.67 acres of property specifically APN 001-660-137 and a portion of 001-660-034, filed by The City of Elko and processed as Rezone No. 3-17, and matters related thereto. **FOR POSSIBLE ACTION**

The Planning Commission considered the subject zone change request on June 6, 2017 and took action to forward a recommendation to City Council to adopt a resolution which approves Rezone No. 3-17.

Cathy Laughlin, City Planner explained the Planning Commission initiated this rezone by making a motion to amend the district boundaries as allowed by the Elko City Code. This allows the City of Elko to be the applicant for these rezones. The property has zoning that was repealed in 1987 from the Elko City Code. It is no longer a code. Being the applicant, the City of Elko, we are requesting that we rezone these properties to R Residential to be consistent with the surrounding area.

**** A motion was made by Councilman Schmidlein, seconded by Councilman Rice, to adopt Resolution No. 16-17.**

The motion passed unanimously. (4-0)

- B. Review, consideration, and possible action to adopt Resolution No. 17-17, a resolution of the Elko City Council adopting a change in zoning district boundaries from C (Commercial) to IC (Industrial Commercial) approximately 1.542 acres of property, approximately 450 feet northeast of the intersection of Alta Vista Drive

and East Jennings Way, filed by Tjoa Properties LLC and processed as Rezone No. 4-17, and matters related thereto. **FOR POSSIBLE ACTION**

The Planning Commission considered the subject zone change request on June 6, 2017 and took action to forward a recommendation to City Council to adopt a resolution which conditionally approves Rezone No. 4-17.

Ms. Laughlin explained the background information on this property and recommended conditional approval.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to adopt Resolution No. 17-17.**

The motion passed unanimously. (4-0)

- C. Review, consideration, and possible action to adopt Resolution No. 18-17, a resolution and order vacating a portion of public utility and drainage easement, approximately 41 feet in width by 205 feet in depth located on the northeasterly side of APN 001-560-077, filed and processed as Vacation No. 1-17 by Tjoa Properties LLC, and matters related thereto. **FOR POSSIBLE ACTION**

Council accepted a petition for the subject vacation at its regular meeting of May 23, 2017, and directed Staff to continue with the vacation process by referring the matter to the Planning Commission. The Planning Commission considered the vacation at its regular meeting of June 6, 2017, and took action to forward a recommendation to Council to adopt a resolution which conditionally approves Vacation No. 1-17 with findings in support of its recommendation.

Ms. Laughlin explained this is the same situation as the prior item. She recommended conditional approval.

Scott Wilkinson, Assistant City Manager, felt the council should add a condition that the property owner has to verify that the utilities are not located in the proposed vacated area. All the utilities were addressed and straightened during their last addition, but we should be cautious and have them potholed to make sure there is no conflict.

Ms. Laughlin said the NRS requires that we get verification from all utility companies on the vacation of that easement. So far we have received those verifications. There was a question with Frontier Communications and Frontier is working with the applicant on that to confirm that it is a private phone line in that area.

Councilman Schmidlein asked if we will still be able to maintain access to get in from the backside.

Ms. Laughlin said there is a 20 ft. easement that will remain clear. The new addition will be 30 ft. by the width of that 41 ft. It is inside their fence.

Kirk Gillette, Spec Elko Holdings, said he is the owner of the property that was asked to keep the easement clear. This has been used for storage and he has approached the other owner and has not

gotten a response yet. He went to the Planning Commission to request that prior to moving forward with that, he would like us to resolve what we need to resolve. If he wants that property then they need to come to an agreement. Otherwise he needs to clean that property up. He is willing to clean up the property but that isn't his storage. The area is fenced and the applicant considers it his property but the property actually belongs to Spec Elko Holdings.

Councilman Keener asked could that be made part of the motion.

Dave Stanton, City Attorney, answered what's before the council is the vacation of the utility easement. The storage of property on an adjacent properties or the other side of the boundary line, he has a hard time tying those together. We could require the body shop to remove their property from the surface of the vacated portion of the easement.

**** A motion was made by Councilman Keener, seconded by Councilman Schmidlein, to conditionally adopt Resolution No. 18-17, which does have conditions from the Planning Commission plus we will ask the applicant to pothole and expose the utilities in the easement and have them as-built by the City.**

The motion passed unanimously. (4-0)

VIII. 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. 1-17 by DDS Properties, LLC., consisting of approximately 10.149 acres of property located west of Jennings Way approximately 130' north of Cortney Drive, and matters related thereto. **FOR POSSIBLE ACTION**

Ms. Laughlin explained this property has been identified in our long range planning documents as having annexation potential. It can be served with our utilities. The developer is proposing a subdivision.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to approve the Petition for Annexation No. 1-17 by DDS Properties, LLC and refer the matter to the Planning Commission.**

The motion passed unanimously. (4-0)

- B. Review and consideration of a letter from the Elko Band Council regarding City water services and issues regarding outstanding payments from Colony residents, and matters related thereto. **FOR POSSIBLE ACTION**

A letter from Mr. David Decker, Chairman, has been included in the agenda packet for review. Staff will be present to explain City Code and Policies regarding City water services, non-payments, and related issues.

David Decker, Elko Band Chairperson, 1745 Silver Eagle Drive, explained he sent a letter regarding some of the issues the City pointed out. In order for someone on the colony to get water service from the City, the City is asking the Tribe to take responsibility for payments. It does not

seem impartial to impose such requests on the Tribe or its members without meeting to discuss the options available. Our residents are not the only customers in Elko with late water payments. The Elko Band Council is requesting discussion on the issue. We are fully aware of some of the issues taking place up there. The agreement in place has been there for quite a while. We have acquired 267 acres that they are currently conducting a feasibility study on. There has been discussion regarding building another water tank because there isn't enough water. We had community members who would turn the water back on. We are currently addressing those issues. They were seeking some sort of agreement with the City to resolve the issue.

Councilman Schmidlein asked what the proper protocol for turning water off is.

Jonnye Jund, Administrative Services Director, said typically we have a water service application that everyone fills out. We verify property ownership on the County Assessor's site for county residents. It is unique for the upper and lower colony because we don't have that information available. For Temoke, we have them fill out as the owner (which is most of the lower colony). They fill out the legal owner and the person at the residence is treated as a renter. If that payment is delinquent the system will kick out a notice to the Band so they are aware of the situation. Our typical remedy is to file a lien on the property which we cannot do that on the colony. We have never demanded payment from the Band and we just do this as a courtesy so they are aware of what is going on. For the last 6 months they have been having the band and homeowner fill out the application at the request of the Band. We are down to 7 balances on homes which will have to be paid by the new residents.

Mr. Decker said once the numbers were brought forth they became concerned and wanted to resolve the issues.

Councilman Schmidlein said basically they are acting as a co-signer.

Ms. Jund said yes. They are verifying homeownership for us. We have no other resource. This is all federal land to the extent that they don't have anything on the County Assessor site or anything. It is impossible for us to know who is supposed to be living there and who is responsible for the water bill. When someone passes the home transfers and we have difficulty then identifying ownership. This method has worked best for us in the last six months. If Mr. Decker wants us to do something different we are happy to work with him on that as well.

Mr. Decker said if this is working, there is no need to change something that isn't broken.

Councilman Keener asked how many customers they were talking about.

Mr. Decker answered 267 homes.

Ms. Jund said she was pleased they were down to seven homes with balances. Some homes are occupied and they don't have water service. Just today we went to a location and they had turned the water back on but that is not unique to the colony. That happens everywhere. We have a remedy for that; there is a fee and we shut it off again and fill it with sand.

Councilman Schmidlein asked if they lock the water once it's shut off.

Ryan Limberg, Utilities Director, said those that have a meter pit we can lock. Some homes don't have a meter pit, they will just have a curb box. Occasionally we see people throughout town that will turn those back on which we will catch. Ms. Jund sends the water crews out to check them again or we will find where people have cut the lock off or busted the turnoff. After they see the back bill expenses for those it helps to stop that behavior.

Curtis Calder, City Manager, said the issue that makes it different for the colony is the underlying ownership of the property. Our code, if you are outside the colony, there is an owner of that property and that bill will either be paid by the current owner or new owner. The issue in the colony is the people residing in the houses aren't necessarily the owners of the homes. They don't own the underlying property. He felt the system that Ms. Jund has come up with is as fair as it can be within our existing system. We are not writing off debt to the city, someone has to pay the bill.

Mr. Decker said we can send out correspondence to them go to our appellate courts to resolve some of these issues. Right now we are just getting through this correspondence with the City so we can move forward with the stuff we have going on up there. Once the paperwork goes through and we get prepared, those customers with outstanding bills will get summoned to court to take care of this.

No action was taken.

- C. Ratification of the Police Chief issuing a 30-day temporary Packaged Liquor License and issuing a regular Packaged Liquor License to Dennis Haggard, dba Express Mart, LLC, located at 1790 Idaho Street, Elko, NV 89801, and matters related thereto. **FOR POSSIBLE ACTION**

Chief Reed explained this is merely a change of ownership. There was a partnership and now it's just a single owner.

**** A motion was made by Councilman Schmidlein, seconded by Councilman Rice, to ratify a 30-day temporary packaged liquor license and issue a regular Packaged Liquor License to Dennis Haggard, dba Express Mart, LLC, located at 1790 Idaho Street, Elko, NV 89801.**

The motion passed unanimously. (4-0)

II. CONSENT AGENDA

- A. Review and approval of Application for Federal Assistance for Airport Improvement Program (AIP) 48, and matters related thereto. **FOR POSSIBLE ACTION**

AIP 48 includes drainage system improvements, Runway 6-24 Safety Area Stabilization, Wind Cone Rehabilitation, and Security Fencing and Access Gates

(Design Only). The estimated cost for this project is \$2,455,000, of which the City of Elko will be responsible for \$153,438 (6.25%).

- B. Review, consideration, and possible approval of the revised Police Lieutenant position description, within the Police Department, and matters related thereto. **FOR POSSIBLE ACTION**

The Police Department is in the process of various promotional opportunities due to vacancies and is anticipating the promotion of a Police Sergeant to Police Lieutenant. The position description for Police Lieutenant was reviewed and revised to more accurately reflect the definition, essential duties, knowledge, abilities, and minimal requirements.

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

The motion passed unanimously. (4-0)

IV. APPROPRIATIONS (Cont.)

- B. Review and possible approval of Print 'N Copy Warrants, and matters related thereto. **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.)

- A. Review and possible approval of Warrants, and matters related thereto. **FOR POSSIBLE ACTION**

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

The motion passed unanimously. (4-0)

X. REPORTS

- A. Mayor and City Council

Councilman Rice reported there was an ECVA meeting today. The heating coil is going out on the system for the Convention Center and they took action to have it repaired.

Councilman Keener said the city has a sizeable cell phone expenditure. He asked if there were any contracts in place. Ms. Jund said we do have a government service contract with Verizon.

- B. City Manager

Curtis Calder said he wanted to do a summary on legislative issues but he needs to get with Chelsea to get it summarized. Mosquito spraying will begin June 29 and July 2.

- C. Assistant City Manager

Scott Wilkinson reported they are asking Amodei's office to contact the Corps of Engineers. On June 8 we have communication from the Corps to our consultant that indicated we would have our permit within a couple of days. He has reached out to the engineer at the Corps that they have been dealing with and still no response.

Ryan Limberg said he spoke with Steve Dorsa earlier this week and he is planning to start late July or early August on the River Crossing Project. Ruby Dome is still planning to start the work roughly 3 weeks to a month from now. If we don't have the permit in a month, then he will have to take action to remove it from their work.

D. Utilities Director

Ryan Limberg said for the Reuse Project, he will stretch it out as long as he can. He will have to likely make a decision at the end of July as to whether or not they are doing the river crossing.

E. Public Works

Curtis Calder reported that the Public Works Department will be out next week facilitating removal of sand bags.

Dennis Strickland said they will let residents know where we are placing pallets so they can drop off their sand bags and we are not going on private property. A vast majority of them are close enough to the public right-of-way where we will just start picking them up. This will take some time to complete.

Mayor Johnson asked about the culvert on 13th Street. Mr. Strickland said he has one rough estimate from a contractor and we are starting to move forward on it.

F. Airport Manager

G. City Attorney

H. Fire Chief

Jack Snyder, Deputy Fire Chief, reported on the SBA loans that have been approved for the damage from the flooding.

I. Police Chief

J. City Clerk

K. City Planner

Cathy Laughlin said we are requesting an RDA meeting on July 11, 2017. We put the 400 Block Alley Project out to bid but had no contractors attend the mandatory pre-bid meeting. The Planning Commission meeting has been moved to July 18th. We have 10 or 11 applications for that meeting.

L. Development Manager

M. Administrative Services Director

N. Parks and Recreation Director

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**

There were no public comments.

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

Mayor Chris Johnson

Shanell Owen, City Clerk