

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

SS June 23, 2020

The City Council of the City of Elko, State of Nevada met for a regular meeting beginning at 4:00 p.m., Tuesday, June 23, 2020. Due to the restrictions found in the State of Nevada Emergency Directive 006, the meeting was held in the Turquoise Room of the Elko Convention and Visitors Authority, 700 Moren Way, Elko.

This meeting was called to order by Mayor Reece Keener.

CALL TO ORDER

ROLL CALL

Mayor Present: Reece Keener

Council Present: Councilwoman Mandy Simons
Councilman Robert Schmidlein
Councilman Chip Stone
Councilman Bill Hance

City Staff Present: Curtis Calder, City Manager
Scott Wilkinson, Assistant City Manager
Kelly Wooldridge, City Clerk
Candi Quilici, Accounting Manager
Jan Baum, Financial Services Director
Jeff Ford, Building Official
Dale Johnson, Utilities Director
Bob Thibault, Civil Engineer
James Wiley, Parks and Recreation Director
Cathy Laughlin, City Planner
Jim Foster, Airport Manager
Jack Snyder, Deputy Fire Chief
Ty Trouten, Police Chief
Mike Palhegyi, Police Lieutenant
Diann Byington, Recording

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**

Dale Johnson, Utilities Director, spoke about a program they have started at the WRF. The wastewater is being tested for COVID-19 levels. Seven samples have been tested. All of the samples taken in May did not detect the virus. The first sample in June had a large detect of the virus but the next sample went down a little bit. The spikes in the samples seem to correlate with the number of cases in town.

V. RESOLUTIONS AND ORDINANCES

- C. Review, consideration, and possible approval of Resolution No. 12-20, a resolution declaring support of local and regional law enforcement officers, and matters related thereto. **FOR POSSIBLE ACTION**

A copy of Resolution No. 12-20 has been included in the agenda packet for review.
CC

Mayor Keener read the Resolution.

Lee Hoffman thanked Council for considering the Resolution. What is going on across our country is painful to watch. Our liberties depend upon Rule of Law. There are some individuals that are not following the Rule of Law and destroying public property. Please recognize the Resolution is not enough and we all have to support our police. We all have to believe in the Rule of Law to protect our freedoms.

Lt. Palhegyi said it means a lot to the members of the Police Department that the Mayor put this Resolution out. We are working in some very trying times. We are blessed to live and work in a community where we have support. It makes it easier to deal with all the negativity that is going on.

Jim Pond, Brooklawn Drive, Spring Creek, said as a young man he was taught by his father to respect the police. At some point, it was taught that you cannot resist. We need to support them.

Stephanie Licht, 339 Rockwood Dr., Spring Creek, said she stands strongly behind Law Enforcement and the Rule of Law. Without them, most of us would be defenseless. Some communities have neighborhood watch. She doesn't know some of her neighbors and thinks she will reach out to them to possibly start a neighborhood watch to support the Law Enforcement Officer in the area. She supports the Resolution.

Claire Morris, 3131 Midland Drive, stated he had spent nearly 40 years in law enforcement. He thinks we will start seeing a mass exodus of officers leaving law enforcement. Hopefully, we won't see this in Elko because we are already having trouble getting qualified recruits to apply for the job. There are openings in every agency in the State.

Edward Morgan, Spring Creek, thanked Council for taking this amendment and being brave enough to do it. He was in law enforcement for 35 years. The idea of not supporting Law Enforcement was unheard of when he was young. If we let this idea continue we will lose our whole country.

Chris Johnson, Woods Court, thanked Lee for sending out the email about the Resolution, and thanked Council for the Resolution. He watches the President and other officials so we stays informed straight from the source. As citizens of this country, we need to get the information from the source so we can form our own opinions because what is in the press is not reported accurately. All this chaos will be stopped by citizens that will stand up and do what is right. It was his pleasure as the former Mayor to serve and learn more of what the police officers do for the city.

Mayor Keener advised he asked for this item to be on the agenda because he felt it was very important that the Council communicate how much we support our local Law Enforcement. It is a privilege to be the liaison with the Police Department to see what they go through. We have a professional police force here.

All Councilmembers spoke in support of the local Police Department and this Resolution.

**** A motion was made by Councilwoman Simons, seconded by Councilman Stone, to approve Resolution No. 12-20, a resolution declaring support for local and regional Law Enforcement Officers.**

The motion passed unanimously. (5-0)

APPROVAL OF MINUTES: June 9, 2020 Regular Session

The minutes were approved by general consent.

I. PRESENTATIONS

- A. Reading of a proclamation in recognition of the Silver State Stampede PRCA Rodeo being held on July 10th, 11th, and 12th, 2020, and matters related thereto.
INFORMATION ONLY – NON-ACTION ITEM

Mayor Keener read the proclamation and gave a copy to Pat Laughlin.

Pat Laughlin, Silver State Stampede, said they appreciate all the help and support they get from the City and the community. They are still planning to hold the rodeo as scheduled and will continue to do so up until they get told they can't hold it. It will all depend on the Governor.

- B. Presentation by CADV Harbor House, Executive Director, Marianne McKown regarding 40 years of service to the Elko County Community, and matters related thereto. **INFORMATION ONLY – NON-ACTION ITEM**

Marianne McKown, CADV Harbor House Executive Director, gave a presentation to get the word out on how COVID-19 has effected Harbor House. Harbor House is our domestic violence shelter and we help victims of domestic violence, domestic family, dating, and sexual violence. One of their main grants is the Marriage License Grant. Every time you go to the Courthouse and apply for a marriage license, a portion of that money goes to the local domestic violence agency. In January, it was estimated that they would be getting \$3 million in the state, to all of the agencies. That money was cut by \$2 million. Now \$1 million will be distributed to all of the shelters in the state. The funds went from \$121,799 to \$40,601. The Marriage License Grant is the money that gives them the leeway to do things that can't be done with the federal grants. Federal grants are

very restrictive. The State has instituted “Say I Do, Nevada” so people can make donations directly to Harbor House. Most fundraisers have been canceled due to the pandemic.

Mayor Keener thanked her for making them aware of the budget shortfall. He hopes a safety net comes up from somewhere.

II. PERSONNEL

A. Employee Introductions:

- 1.) Ms. Lori Stidham, Animal Shelter Worker
Present and introduced.
- 2.) Mr. Justin Bradeen, Water Department Laborer
Present and introduced.
- 3.) Mr. Brett Walsh, Water Department Laborer
Present and introduced.
- 4.) Mr. William “Brad” Burham, Facilities Maintenance Technician
Present and introduced.

B. Review, consideration, and possible approval of the reorganization and realignment of City Sexton duties, including a reduction in compensation and benefits, effective, effective July 1, 2020, and matters related thereto. **FOR POSSIBLE ACTION**

The City Sexton is an Appointed Official position that was established in City Code for the primary purpose of keeping cemetery records pursuant to Nevada Revised Statutes.

Over the years, this position has been performed by various individuals, in different capacities. Currently, the position is held by Ms. Jan Petersen and duties are split between the City Sexton, Parks and Recreation Department, and the City Clerk’s Department. Under this proposal, the City Sexton will shift “transactional” duties to City Staff, and overall work hours will be reduced.

The recently adopted FY 2020/2021 Fiscal Year budget includes various cost savings from different departments. The proposed reorganization and realignment of City Sexton duties is projected to save approximately \$17,000 annually. Resolution No. 13-20 formalizes the reduction in compensation and benefits. CC

Curtis Calder, City Manager, explained this is part of our strategy to meet our goal of cutting expenses. We are proposing the salary be reduced and eliminate group health insurance. Right now the City Parks and Recreation Department and the City Clerk’s Office is well prepared to take over some additional functions of the City Sexton, but we would still like the City Sexton to participate in that process. If this is approved, we plan on coming back with a formal job description which doesn’t exist right now for the City Sexton position.

Jan Petersen, City Sexton, stated she has had this job since March of 2013. In 2018/2019, there were 33 burials, 26 additional plots were sold pre-need. She gives Cemetery Tours every year. She also works with the DAR ladies that have taken on a project of ordering headstones for the

veterans in the old veterans cemetery that do not have headstones. She asked that her salary not be reduced as deeply as proposed. She is already saving the City money by going on Medicare. That is a savings of about \$1,200 a month.

Mayor thanked Jan Petersen for all the work she does.

Mr. Calder talked about how they landed on the \$6,000 per year. We wanted to pay her enough to pay her Medicare premium and her supplemental insurance. We are not opposed to looking at some additional compensation. In order to meet our goal of cutting costs, there does need to be some significant savings. He suggested that her pay not exceed \$8,000 a year.

Councilman Stone stated that with the work she does and the time it does take, he would support paying her \$8,000. He felt that was a reasonable amount.

Mayor Keener asked what the 15 hours a week was based upon.

Ms. Petersen didn't know where the 15 hours a week came from.

Mr. Calder said regardless of what she has worked in the past, there will be a reduction in the hours because some of those duties will be taken over by City Staff. We have capacity to do it and it will be better in some cases for people to be able to access City Hall during normal business hours. She will facilitate those transactions and tell people who they need to talk to and where they need to go. We anticipate a reduction and he felt it was justified. Keep in mind that this is not a normal year. We are facing a serious reduction in revenues. We need to play this very carefully. This isn't a lot of money in the grand scheme of things but we are all sacrificing and contributing to make the budget balance.

Councilwoman Simons said she can't imagine \$8,000 being too much.

Mayor Keener called for comments from the public without a response.

**** A motion was made by Councilwoman Simons, seconded by Councilman Schmidlein, to approve the reorganization and realignment of the City Sexton duties, including a reduction in compensation to \$8,000 and reduction in benefits, effective July 1, 2020.**

The motion passed unanimously. (5-0)

III. APPROPRIATIONS

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

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

The motion passed unanimously. (5-0)

- B. Review and possible approval of Print n' Copy Warrants, and matters related thereto. **FOR POSSIBLE ACTION**

**** A motion was made by Councilwoman Simons, seconded by Councilman Stone, to approve the Print 'N Copy warrants.**

The motion passed unanimously. (5-0)

- C. Review and possible approval of the Elko Regional Airport Liability Insurance Policy for FY 2020/2021, and matters related thereto. **FOR POSSIBLE ACTION**

LP Insurance Services, Inc. has competitively sought airport liability insurance for the upcoming fiscal year. Only one (1) quote was received from AIG Aerospace at \$10,834/year, representing an approximate 10% increase over the current year. JF

Jim Foster, Airport Manager, explained this is the annual liability insurance policy for the airport.

Councilman Hance asked if there were any other insurance companies out there that offer this type of insurance.

Dain Uriarte, LP Insurance Services, answered there were some other companies brokered but AIG was the only one that gave a competitive bid. A small rural airport is a niche market and it is hard to get good bids for it.

**** A motion was made by Councilman Hance, seconded by Councilwoman Simons, to approve the Elko Regional Airport Liability Insurance Policy for FY 2020/2021 in the amount of \$10,834 for the year, representing a 10% increase over the current year.**

The motion passed unanimously. (5-0)

- D. Review, discussion, and possible approval for the Fire Department to begin the purchasing of a new Self Contained Breathing Apparatus Compressor in the amount of \$79,950.00, and matters related thereto. **FOR POSSIBLE ACTION**

The City of Elko Fire and Police Department's would like the approval to a Mako Self Contained Breathing Air System compressor. The new compressor will be purchased from Siddons Martin Emergency Group, at the price of \$79,950.00. The benefits to the compressor is that it replaces an approximately 15-year-old current compressor. In addition, it will provide a larger fill rate capacity reducing wear and tear compared to the current one. JS

Jack Snyder, Deputy Fire Chief, explained this was approved in the next budget. This will benefit all City Departments that use compressed air bottles.

Councilman Stone asked what will happen to the old system.

Mr. Snyder answered they will dispose of it. It is an old system but it has some potential somewhere else.

**** A motion was made by Councilwoman Simons, seconded by Councilman Hance, to recommend approval for the Fire Department to purchase a Mako Self Contained Breathing Apparatus Compressor from Siddons Martin Emergency Group for \$79,950.**

The motion passed unanimously. (5-0)

- E. Review, discussion, and possible approval for the Fire Department to begin the purchasing of two (2) defibrillators in the amount of \$67,969.74, and matters related thereto. **FOR POSSIBLE ACTION**

The City of Elko Fire and Police Department's would like the approval to purchase two (2) defibrillators and accessories. The new defibrillators will be purchased from Zoll Medical Corporation, at the price of \$67,969.74. The benefits to the new defibrillators is that it replaces unsupported current defibrillators by the FDA. In addition, it will enhance the interoperability between Elko Fire and Elko Ambulance as each agency will be using the same defibrillators and enhancing patient care. JS

Mr. Snyder explained last July or August, they received a letter saying that two out of their three defibrillators will no longer be supported as of December 31. One decided to have some maintenance issues about mid-December and we ended up taking both of them out of service. Elko County Ambulance was able to loan some spares with monitors until we were able to budget the items for purchase. The old units are no longer certified. In talking to Zoll, they may be able to get us some trade-in value on the old units.

**** A motion was made by Councilman Stone, seconded by Councilman Schmidlein, to approve the Fire Department to purchase two defibrillators in the amount of \$67,969.74.**

The motion passed unanimously. (5-0)

IV. NEW BUSINESS

- A. Review, consideration, and possible action to consider a draft proposal for the development of a 20-Year Lease between the City of Elko and CC Communications whereby the City would lease the use of fiber in exchange for infrastructure and services to be provided by CC Communications to the City of Elko, and possible instruction to Staff to negotiate a lease in conformance with NRS 277.050(4)(b), and matters related thereto. **FOR POSSIBLE ACTION**

The City of Elko approved a non-exclusive franchise agreement with the CC Communications on February 11, 2020. The non-exclusive franchise agreement does not provide for the use of City-owned fiber. On April 28, 2020, the City of Elko accepted a petition by CC Communications requesting that the City of Elko provide one buffer tube of fiber in existing fiber paths to CC Communications in exchange for CC Communications providing the City of Elko one buffer tube of the same liner feet within the City. The City Council moved to provide one buffer tube of fiber in existing fiber paths to CC Communications in exchange for CC Communications providing the City of Elko a buffer of the same liner feet within

the city equal to the current appraised value. Subsequent to the April meeting, CC Communications submitted a proposal it believes to be in conformance with NRS 277.050(4)(b). In its proposal, CC Communications seeks to enter into a 20-year lease for two (2) buffer tubes of City-owned fiber located between the Airport and the Idaho/14th Street intersection, together with the right to use certain associated equipment. In exchange, CC Communications proposes to give the City use of 3.2 miles of fiber and various other commitments. The City Council has the discretion to determine whether the proposed consideration for the lease is adequate. SAW

Scott Wilkinson, Assistant City Manager, explained if City Council were to move this item forward, the Council would have to determine that what is proposed by CC Communications is an equivalent to the proposed use of the fiber. Because CC Communications is a public entity, they are proposing this agreement and it doesn't require that fiber to be appraised. Dave Stanton and Councilman Hance have been involved in a meeting and some of the discussions that led to this proposal.

Mark Feast, CC Communications, explained his proposal included in the packet. The last time they spoke, they were discussing one buffer tube but he has changed the proposal to two buffer tubes along Idaho Street. This will allow them to serve the customers along Idaho Street better. There is a benefit to the City that is at least equal to what they are asking in the lease. It is a benefit to both entities to make this exchange because it will begin a jump-off point for expanding at least in that section of Elko, as well as, other developments along Lamoille Hwy. It will allow the City to capture some value for assets that the City won't be using.

Councilman Schmidlein asked about the fiber that will go down Silver Street; will it be from Idaho Street to 14th Street?

Mr. Feast answered it will go to 12th Street and then head south.

Councilman Hance said his thoughts are mixed regarding this. This is an interlocal agreement between governments.

Mr. Feast explained how CC Communications is a government entity and the history of what they have done over the years. When the internet came along, they wanted their customers to have better service than what was being offered. They put in 63 miles of fiber into Reno. We found we needed to expand to create redundancy. We ended up in other communities. We have a mission to serve rural Nevada because no one is pocketing big dividends in these areas. We are regulated by the FCC.

Councilman Hance noted that their original charter and mission was to provide services to Churchill County.

Mr. Feast said the NRS provides for their ability to provide services outside of their county, subject to the FCC regulations that any other company would be subject to. They have certificates of public convenience from the PUC. The City has put some fiber in the ground without being about to use all of it. He is offering a way for the City to get some value out of it. When they spend \$6 million to build 63 miles of fiber into the ground, to make sure a town of 25,000 has stable internet, you are looking for some other way to get value out of that.

Councilman Hance said we built that fiber because we could not keep a working network with the current provider that we have here. It was self-preservation on our part to do that buildout. It's just as cheap to drop 144 into that pipeline as it is to do 12.

Mr. Feast agreed the price of putting the conduit in is essentially the same; it is the difference between the material costs. That's where you get stuck. You are smart to put in more but how are you going to use it? He was offering a way to use some of it.

Councilman Hance said they talked about interconnecting some of the other facilities. Is that still in this agreement?

Mr. Feast answered this would be the path for this portion of the agreement for this exchange for those buffer tubes from the City. In the future, there could be another agreement that builds off the current network to be beneficial to the City. The cabinet they will be putting in will be able to serve at least 800 customers. They can put in a bigger cabinet later on as they build out.

Mayor Keener said the catalyst for this is the Southwest Gas pipeline project. Your intention is to drop fiber in the pipeline when the trench is open, is that correct?

Mr. Feast answered yes, that was correct.

Mayor Keener noted that requires permitting. Do you have your permitting for that already?

Mr. Feast answered that is correct. They have an NDOT permit for along that road. They had to have all the permitting in the package before Southwest Gas would send it to bid. We are in the package with Southwest Gas. We need to submit permitting down Silver Street and down 12th Street to tie it all together.

Mayor Keener said he was asking because it was brought to his attention that Southwest Gas was not allowing their permit to be used. They were requiring the various utilities to apply for their own permitting and that takes months to do. To their knowledge, it had not happened yet.

Mr. Feast asked, "to whose knowledge?"

Mayor Keener answered the individual that gave him that information.

Mr. Feast answered that was false. They are included in the bid packet and it would be news to him that they were allowed in the bid packet and they didn't have their paperwork yet.

Mayor Keener asked under what name is the permit under.

Mr. Feast answered it was probably under Churchill County Telephone dba CC Communications.

Mayor Keener said he was glad to hear that was taken care of. The community has been working for quite a while on bringing broadband providers to this area. The ultimate being bringing a fiber provider in. We are at a point where Nevada Gold Mines is partnering with a firm that will provide service that will do a full community buildout, not only in Elko, but in Spring Creek. It will be an

approximate \$50 million investment that they are making here. CC Communications has the opportunity as a quasi-governmental to participate in something that is not available to them. That is the fiber share we are talking about here. It is concerning to him because he is cognizant, while he is not involved with the transaction that is going on in the background, he certainly doesn't want this to derail something that will be a benefit to the entire region. What would he say to those concerns?

Mr. Feast answered he has one way they are asking for this to happen. He thought the other provider had another way they can ask for the same type of thing to occur. It is a City Council decision. When a company goes around saying we don't have our permits and trying to badmouth them, he wasn't sure anybody should be getting in bed with them. He was reading between the lines that this information came from SafeLink.

Mayor Keener said it was not them. It was not any of the providers.

Councilwoman Simons asked if he felt his project would in any way derail, discourage, or effect another project coming in and who wants to do a full community buildout.

Mr. Feast answered that he could not say what effect it would have on anybody else. If you look at Spring Creek, which is much smaller, you have multiple entities saying that they are going to buildout Spring Creek. Churchill County, which is smaller than the City of Elko, we have Charter Cable offering service and it does not stop them from upgrading or building out their system. Because of FCC regulations, we are required to build to every single customer in Churchill County. We are also required to rate balance, so everyone gets charged the same. There are plenty of places where there are two providers that compete in an area smaller than Elko.

Mayor Keener asked Scott Wilkinson, with respect to the NRS, is it equal distance or is it equal value.

Mr. Wilkinson answered the Council would have to determine that they believe this proposal will be of equal value. It doesn't have to be an appraised value but you would have to determine that this proposal would equate to the requested usage of the City fiber. If the Council makes that determination, we would be able to move forward and there are a couple of conditions the Council should consider if they want to move forward. One condition would be that CC Communications would incur the legal costs to develop an agreement for consideration by the City Council. He believes before CC Communications could put the fiber to use that would have to have the entire proposal built out and available to the City at that time. The Council would have to determine that this proposal is of equal value to the fiber on 12th Street to 14th Street in order to move that forward.

Councilman Schmidlein said he wasn't sure what a fair exchange is. He doesn't know the value of what we have and what the value of they are asking for. Nobody has clearly explained that and he didn't know if he would be able to make a decision tonight.

Mr. Wilkinson said the fiber that is not being utilized has very little value to the City going forward. If you really wanted to look at it you can look at the cost of construction to put it in the ground. A mile for mile, a buffer tube for two buffer tubes in exchange over that distance. That simplifies it a bit if you want to look at it that way. There is some benefit having it going up towards the landfill. You can just look at it just lineal, per lineal foot.

Mayor Keener said he has trouble with having companies that are making investments here in our market and this vehicle that CC Communications is trying to utilize is not available to them because of some of the complications that were indicated earlier. It feels like they are getting an unfair competitive advantage. He wasn't sure what value a fiber run down Idaho Street would have.

Councilwoman Simons asked if there were public entities that lease out their fiber to private companies.

Mr. Wilkinson said he didn't recall the specifics of that effort. We spent a lot of time on that.

Councilwoman Simons thought it was crazy that no one else had encountered this.

Mr. Wilkinson thought there was a valid proposal before the Council. Whether the Council determines or not that it's of equal value is where we are at tonight.

Councilman Stone agreed with Councilman Schmittlein that he didn't know what the value would be. There is a lot of value in that run since they will be servicing Spring Creek with it.

Mr. Wilkinson thought it would be complicating the situation if we looked at that too deeply. CC Communications has a franchise agreement. They can get permits to extend fiber anywhere in the community even if it goes through the community. If you look at it on a lineal run, buffer tubes in exchange for buffer tubes, that's another way to do it. One benefit is to the landfill. If we were to do this work ourselves, from 12th and Idaho to the Landfill, that is a significant value to the City today.

Mayor Keener called for public comment.

Jan Baum wondered if Paul Willis would like to comment on the service at the Landfill or the Animal Shelter.

Paul Willis, Systems Administrator, explained that the Animal Shelter and the Landfill both have their internet fed by an air fiber that is positioned on the 5th Street water tower. That also feeds the Water Department as it currently sits, Facilities, Streets, Fleet and the Recreation Departments. The capacities within the fiber's capabilities will not continue to meet the needs as the City grows. We have talked about and have budgeted additional air fibers or better air fiber capability in the next fiscal year, however, there might be better solutions for that.

David Kirkham, Spring Creek, said he was on the Broadband Action Committee with Mayor Keener. He knows that CC Communications gets some of their permitting through WANRack and the exchange.

Mr. Feast indicated he did not get his permits that way.

Mr. Kirkham thought they were getting the permits from NDOT through an exchange there. He was worried about comingling funding and it isn't right. He didn't want any problems with that.

Mr. Feast stated he needed to do more research on the misinformation campaigns that precede a proposal. They have nothing to do with WANRack. They made the offer of linear foot for linear foot. He struggled with increasing the exchange. It is clear that there has been a misinformation campaign. They have their permits and they follow the law. They have not gotten to the BLM permitting process, and neither has Southwest Gas. That's why they stopped phase 1 where they did. They knew the BLM would take a long time.

Mayor Keener asked Curtis Calder what his thoughts were.

Curtis Calder, City Manager, said he has been involved with this for quite a while, with regard to City of Elko infrastructure and previous IT Managers. He is looking at it on a much narrower scope than possibly the Broadband Action Committee. His job is to do what is best for the City of Elko. Our goal has always been to get fiber to all of our facilities. We have several facilities that are key elements to our organization that are underserved. The air fiber is insufficient. Any opportunity that he sees where a legitimate provider is ready to put fiber into the ground, and we have something of value that we can legally exchange, he is going to be in favor of it. What could be negotiable would be the values and he doesn't know what that would be. This item gives instruction to staff to negotiate the lease and possibly work out the values. As far as the concept, if they have permitting, financing and are ready to put cable in the ground, we can utilize that for some of our facilities down the road, he thinks it is in the City's best interest to pursue that. They have an approved franchise agreement as does the other entities. It is the first entity that is able to deliver and actually implement their plan.

Mr. Wilkinson said they had CC Communications discuss some potential benefit with Public Works. Some of the routing passes some of our signals in our community. At some point in the future, there is opportunity there. We can capitalize on it at some future date. He recommended that CC Communications develop the draft agreement as a condition. Another one would be that the infrastructure is completed before they utilize the fiber.

Mayor Keener said he didn't know what it was worth as well.

Councilwoman Simons thought the value could fluctuate and be hard to pin down.

Mayor Keener asked if there was fiber to the lights at 5th and Silver Street. (No)

Mr. Wilkinson thought there was a lot of potential in this going forward. We have the landfill and the signals. He thought the proposal had a lot of merit. We can get bogged down and never make a decision if we worry about how much money they might make off the fiber. We are not in that business. We don't provide that service and charge for it. He thought it was pretty close to being equal value in his mind.

Mayor Keener called for public comment.

Bob Thibault stated that as a resident, he is fed up with internet service in this town. He has two options and switches back and forth between them because they are both terrible. At this point, they want any and all companies that want to run fiber in this community. He thought it was a real benefit to the citizens, as well as the City.

Mayor Keener said there is a community partnership for doing a full build throughout Elko and Spring Creek and they have already completed 700 applications from potential customers that have submitted them online. They have 300 pending that have not been processed. They have spent real money here so far and they have invested in the community. He thought this proposal, everything that we discussed that would be a benefit to the City, we will get within the next two years anyway with this community partnership. He thought the proposal they are looking at tonight has more value to Spring Creek residents than it does to Elko residents.

Councilwoman Simons agreed but wondered if it was their job to pick and choose which of these companies we work with. She thought we should go for both of them.

Mayor Keener noted it wasn't a level playing field because CC Communications, as a quasi-governmental entity has a leg up. They have this loophole that they can exploit that isn't readily available to the other providers.

Mr. Feast said he was at the meeting in Spring Creek when they considered the RFP. The Spring Creek Board wanted to go with the other company. In large measures, the other company said they weren't going to go into the trench. They were going to build up all of Spring Creek in 18 months. He doesn't see Spring Creek being built up right now. They might be collecting customers but they said 18 months. It is an unreasonable timeline giving the time of the year. They offered something and may have over-offered giving the cost of construction. He understood the concern over the loophole. He would be perfectly fine with the opportunity for anyone to override existing fiber. If Council wants to consider the ordinance where people can override the conduit; then anyone can override it and there is no advantage. The ordinance doesn't allow for that right now.

Mayor Keener asked what would it take to open that up so the conduits can be utilized.

Mr. Wilkinson answered this goes back to when they were developing the more recent franchise agreements. When they started with White Cloud, they had some concerns expressed by outside parties that people were gaining an advantage. There were a lot of conversations about what provisions should be written into the franchise agreements that address that. We had some concern about utilization of City infrastructure that was occupied with fiber or utilization of the fiber itself. They agreed that if we had empty conduit it could be made available. As they went through several discussions on that, we landed on where we just restrict the City's infrastructure, conduit and fiber just to try to have a level playing field and take that off limits. Any other conduit would be on a first come, first served basis. One of the concerns they had was that if someone was overriding the conduit with our fiber, they could damage our fiber and things like that. If somebody has a franchise agreement and they damage the property, they would be responsible to repair it. There is a possibility to reconsider that option but we would have to go back and amend all the franchise agreements in a timely manner in order to get everyone on a level playing field. In the end, some of these other routes are still going to be constructed under franchise agreements. We have tried to incentivize people to move forward with installing conduit. We deferred franchise fees for a period of time to get people move forward. We have seen some movement by putting some conduit in town. We have some people that are trying to utilize City infrastructure. Everyone wants something from the City to move forward. They are all asking for different things but they are all asking.

Councilman Hance stated the only way he can see this moving forward would be to take the monetary amount out of the picture. We can quantify it by the foot and by the tube. If we do look at some other options of branching off, we won't need any two tubes to any specific location we have in the City network. If their request were for two tubes, it would be equivalent footage times two. There could be a workable agreement on a per-footage basis going forward.

Councilman Stone asked where the twenty years for the agreement come from.

Mr. Wilkinson answered that was their proposal. He asked CC Communications; this is their proposal and there are some conditions that might be acceptable, but the real question is are they willing to consider other runs outside of their proposal in exchange for the use of the buffer tubes on Idaho.

Mr. Feast answered from one end to the other, it has to get them tied back to 12th Street down. Well, actually not. If the Council were to knock out an agreement that was linear foot for linear foot, buffer tube for buffer tube, as long as that is the amount we are building, there are diverse routes. We want diverse routes. We like Silver Street because it goes through the redevelopment area. There are some businesses there. We just need to get across the river and the railroad tracks. We definitely need to pick up the City's fiber at 12th and Idaho. Or, if we don't have an agreement we need to pick up our fiber at Silver and 12th.

Mr. Wilkinson thought the only other route the City has ever considered is trying to get something down to the shops off 12th.

Councilman Hance said it will take some creative work to get to the Railroad Street facilities.

Mr. Wilkinson agreed if they stay at that facility. Right now CC Communications is offering 3.2 miles in exchange for 2.3 miles. They are already offering quite a bit more.

Councilman Hance noted we are looking at two buffer tubes but we would only be receiving one buffer tube.

Mr. Wilkinson said if we went with that logic, we need to be at 4.6 miles to be equivalent.

Councilman Hance thought to keep Dave Stanton (City Attorney) happy, we need to make it one for one.

Mr. Wilkinson said we don't have a need for two buffer tubes for the City, we have a need for one. CC Communications has a need for two. So if they wanted two tubes over 2.3 miles, we would need 4.6 miles with one buffer tube.

Councilwoman Simons thought this was just a proposal. We aren't approving this. We are directing staff to move forward.

Mr. Wilkinson said people are incurring costs and if Council doesn't make a decision that this equates to that, we shouldn't move forward and people shouldn't incur costs and we should not do this.

Councilman Hance said to make the agreement fair, we need to make it one for one on the footage.

Mr. Feast said we are looking at a one for one on fiber feet. If we take two that goes 2.3 miles, we are taking 4.6 miles of fiber. We have proposed 3.2 miles. We owe the City 1.4 miles and the City picks the laterals. He is comfortable with changing those numbers with the addition of the conditions.

Councilwoman Simons said that sounds like we are making progress.

Mr. Wilkinson said to simplify the motion, if we move forward with an agreement, that it is exactly that. CC Communications get two buffer tubes over 2.3 miles, as outlined in the proposal. The City of Elko gets one buffer tube over 4.6 miles as outlined in the proposal, in addition to routes for the remainder.

**** A motion was made by Councilwoman Simons, seconded by Councilman Schmidlein, to make the finding that the draft proposal as augmented with the 2.3 double buffer to CC Communications will be equivalent to 4.6 fiber for the City, including a 1.4 lateral route that the City will choose, and with the caveat that CC Communications will incur the legal costs to develop the agreement and they need to develop all the infrastructure before they utilize the City fiber, and find that this draft proposal is equivalent to the proposed use of fiber.**

The motion passed unanimously. (5-0)

VI. 5:30 P.M. PUBLIC HEARINGS

- A. Review, consideration, and possible action to adopt Resolution No. 09-20, a resolution and order vacating a portion of Juniper Street and 6th Street Right-of-Way, consisting of an area approximately 3,636 sq. ft. abutting APN 001-231-001, which is located within the City of Elko, Nevada, to the abutting property owner Brian and Dena Starkey, filed and processed as Vacation No. 1-20, and matters related thereto. **FOR POSSIBLE ACTION**

Council accepted the petition to vacate this Right of Way at its regular meeting of May 12, 2020, 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 2, 2020, and took action to forward a recommendation to Council to adopt a resolution, which conditionally approves Vacation No. 1-20 with findings in support of its recommendation. CL

Cathy Laughlin, City Planner, explained the proposed vacation.

Councilman Schmidlein thought it was a fair exchange with them doing the infrastructure.

Mayor Keener called for public comment.

Brian Starkey stated he just wants to get the area cleaned up.

**** A motion was made by Councilman Hance, seconded by Councilman Schmidlein, to approve Resolution No. 09-20, which contains conditions as recommended by the Planning Commission.**

The motion passed unanimously. (5-0)

- B. Review, consideration, and possible adoption of Ordinance No. 854, an emergency ordinance waiving their-quarter 2020 Liquor License Fees for business prohibited from reopening, due to the directives from the Governor, and matters related thereto. **FOR POSSIBLE ACTION**

On June 9, 2020, City Council directed Staff to prepare an emergency ordinance for a waiver of Liquor License Fees for quarter commencing July 1, 2020, for establishments unable to open during the Nevada Health Response Phase Two. KW

Kelly Wooldridge, City Clerk, explained the meat of this ordinance is on the second page that says we are waiving third quarter fees for businesses that were not able to open. At the last meeting there were questions if Stage Door was the only one. There was one more that came up but they haven't contacted her. It occurred to her that Cowboys is considered a nightclub but they have been closed for remodeling. They would be eligible for this. She will need to develop an application that businesses will attest to that they have not been open. She had not received any public comment on this.

Councilman Hance asked if we just had those two businesses and then the brothels.

Ms. Wooldridge answered that was correct.

Mayor Keener called for public comment without a response.

**** A motion was made by Councilwoman Simons, seconded by Councilman Stone, to adopt Emergency Ordinance No. 854.**

The motion passed unanimously. (5-0)

- C. Review, consideration, and possible adoption of Ordinance No. 855, an emergency ordinance reducing the amount and deferring payment of Brothel License Fees to assist brothels adversely affected by the Covid-19 Pandemic, and matters related thereto. **FOR POSSIBLE ACTION**

On June 9, 2020, City Council directed Staff to prepare an emergency ordinance that will reduce the Brothel Fee's due July 1, 2020, by half with a due date of September 30, 2020. KW

Ms. Wooldridge explained one the second page of this ordinance under D, that effective on or after July 1, 2020, shall be one fourth of the amount required for a full year as the fee, and that in this chapter, the license fee for the period commencing June 30, 2020, if paid semi-annually, shall be due on or before September 30, 2020. She will also create a simple one-page application to attest they have not been open.

Mayor Keener called for public comment without a response.

**** A motion was made by Councilwoman Simons, seconded by Councilman Stone, to adopt Emergency Ordinance No. 855.**

The motion passed unanimously. (5-0)

BREAK

IV. NEW BUSINESS (Cont.)

- B. Review, consideration, and possible approval of Technology Services Agreement with Oasis Online, and matters related thereto. **FOR POSSIBLE ACTION**

On June 9, 2020, Council approved the City of Elko IS Department Reorganization Plan. This reorganization plan included entering into a one-year contract with Oasis Online for Technology Services. This agreement will be entered into rather than continuing to recruit for an IS Manager for the City of Elko. JB

Jan Baum, Financial Services Director, explained the proposed contract.

Councilman Hance asked if there was a cap on the amount of the contract.

Ms. Baum answered there was a monthly amount we pay them. After hours and travel are extras.

**** A motion was made by Councilwoman Simons, seconded by Councilman Stone, to approve the Oasis Online Technology Services Agreement, beginning July 1, 2020.**

The motion passed unanimously. (5-0)

V. RESOLUTIONS AND ORDINANCES (Cont.)

- A. Review, consideration, and possible approval of Resolution No. 10-20, a resolution authorizing augmentation of the 2019/2020 Fiscal Year Budget of the Capital Equipment Reserve Fund, increasing appropriations to \$2,281,623 to account for \$324,840 in unanticipated revenues, pursuant to NRS 354.598005, and matters related thereto. **FOR POSSIBLE ACTION**

The Capital Equipment Reserve Fund had increased beginning Fund Balance of \$324,840 because the Fire Truck budgeted for the 2018/2019 Fiscal Year did not arrive until the 2019/2020 Fiscal Year. When the 2019/2020 Budget was prepared, it was anticipated the Fire Truck would arrive in late June 2019. In order to pay for the expenses associated with this additional Fund Balance it is necessary to augment the budget. JB

Ms. Baum explained the augmentation.

**** A motion was made by Councilman Schmidlein, seconded by Councilman Stone, to approve Resolution No. 10-20, augmenting the Capital Equipment Reserve Fund, in the amount of \$324,840, pursuant to NRS 354.598005.**

The motion passed unanimously. (5-0)

- B. Review, consideration, and possible approval of Resolution No. 11-20, a resolution providing for the transfer of appropriations between accounts within the City of Elko 2019/2020 Fiscal Budget pursuant to N.R.S. 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. JB

Ms. Baum explained the transfers were included in the packet.

**** A motion was made by Councilman Stone, seconded by Councilman Schmidlein, to approve Resolution No. 11-20, a resolution providing for transfer of appropriations between accounts within the City of Elko 2019/2020 Fiscal Budget pursuant to NRS 354.598005.**

The motion passed unanimously. (5-0)

- D. Review, consideration, and possible approval of Resolution No. 13-20, a resolution adjusting the duties and compensation of the City Sexton, and matters related thereto. **FOR POSSIBLE ACTION**

A copy of Resolution No. 13-20 has been included in the agenda packet for review. CC

Curtis Calder, City Manager, explained there needs to be an amendment to the Resolution, to show the salary at \$8,000 annually without group health insurance benefits.

**** A motion was made by Councilwoman Simons, seconded by Councilman Stone, to approve Resolution No. 13-20, adjusting the duties and compensation of the City Sexton with the adjustment of the City Sexton salary to be \$8,000 annually with no group health insurance benefits.**

The motion passed unanimously. (5-0)

VII. REPORTS

- A. Mayor and City Council

Councilman Hance said Big-O tore down their old shed building today.

Mayor Keener said he attended the Nevada Gold Mines (NGM) community breakfast. They talked about COVID and the community broadband initiative. NGM will be collaborating on this and he expects a groundbreaking by August.

- B. City Manager – CARES Act Funding Distribution
Curtis Calder said he was hoping to hear back from the State regarding the CARES Act Funding Distribution, but he hasn't yet. The funds must be expended specific to the COVID crisis. We have come up with some additional ideas on how to spend the money. We may not be able to spend the whole \$3.7 million allocated to the City. We have a press conference from the Governor tomorrow, and we will be watching that to find out what we will be doing, if we will be moving forward or not.
Mayor Keener said as of today, it was his understanding there are no COVID related hospitalizations in Elko. All quarantined patients have mild symptoms.
- C. Assistant City Manager
Scott Wilkinson reported they finalized the amendment to widen the VFW easement with Union Pacific (UP). UP will be executing that, sending it back to the City for signatures and payment. The purchase sale agreement came out of their legal department but there were some concerns so it was sent back to their legal department for revisions. He hasn't followed up on the sound wall yet.
- D. Utilities Director
- E. Public Works
- F. Airport Manager
Mayor Keener asked about the traffic at the airport.
Jim Foster said the numbers are going up slowly. Skywest just issued their July schedule and they are going back to seven days a week, once a day. They don't know when they will go back to two flights a day.
- G. City Attorney
- H. Fire Chief
Deputy Fire Chief Jack Snyder said they have seen an uptick in the COVID cases but not cases at the hospital. It seems the tracing is falling back to get-togethers, picnics, etc. Social Distancing is helping. The EOC is looking at moving back to meeting twice a month. There was a small wildland fire (3.8 acres) up near Councilman Schmidlein's house. There was no damage to any structures, just the wildland. The cause is still being investigated. The new fire trucks have been a great help in getting the fires knocked down quickly.
- I. Police Chief
Lt. Mike Palhegyi said the crime bill that was passed by the legislature in the last session is going to be fully implemented in July. It will dramatically change some things as far as law enforcement is concerned. A lot of felony crimes are now misdemeanors. Bail hearings will be required before they can hold people. There are many changes and most are not popular with the law enforcement community.
- J. City Clerk
Mayor Keener asked when there are resolutions that are housekeeping items, could those be put on a consent agenda.
Curtis Calder answered the budget resolutions in the agenda cannot be on a consent agenda. Other types of resolutions can be under consent but the purpose of the resolution is to make sure the public knows what is being changed or what is being said.

- K. City Planner
- L. Development Manager
- M. Financial Services Director
- N. Parks and Recreation Director

James Wiley said tomorrow is scheduled for mosquito spraying. The next scheduled spray day is the middle of July. We have a youth baseball tournament planned for this weekend. Hotel rooms are booked and staff is ready. Hopefully, there is good news from the Governor tomorrow and the tournament can move forward.

Mayor Keener asked Mr. Wiley to describe the purchase of new equipment at the golf course. It was his understanding that the Men's Golf League had partnered with the City and Brad Martin to purchase this.

Mr. Wiley described the over-seeder that was purchased. It was bought used for just over \$7,000.

Mayor Keener asked about budget or planning for the broken limbs at the golf course.

Mr. Wiley answered they are focusing on the greens and when they can, they address the trees. There is a small budget for tree maintenance. Pruning is usually scheduled for the fall.

Mayor Keener noted that the sprinkler system seems to be working well now. After spending all that money for a new sprinkler system that didn't seem to work well, he was pleased it was finally dialed in.

Mr. Wiley agreed. They are working with the State to up their daily allowance. They have made some little improvements and they are starting to see the difference.

- O. Civil Engineer
- P. Building Official

Mayor Keener said he was surprised to see the bid valuations are up so much higher than they were last year. The school district project must be pushing those values up.

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, an 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 Reece Keener adjourned the meeting.

Mayor Reece Keener

Kelly Wooldridge, City Clerk