

CITY OF ELY

501 Mill Street Ely, Nevada 89301
City Hall (775) 289-2430 - Fax (775) 289-1463

MEETINGS OF THE:

- **ELY CITY COUNCIL**
- **NEVADA NORTHERN RAILWAY BOARD OF TRUSTEES**
- **ELY REDEVELOPMENT AGENCY**
- **ELY LIQUOR LICENSING BOARD**

PLEASE NOTE: THE COUNCIL/BOARD MEMBERS MAY ADDRESS AGENDA ITEMS OUT OF SEQUENCE, COMBINE TWO OR MORE AGENDA ITEMS FOR CONSIDERATION, REMOVE AN ITEM OR DELAY DISCUSSION AT ANY TIME TO ACCOMMODATE PERSONS APPEARING BEFORE THE COUNCIL/BOARD OR TO AID IN THE EFFICIENCY AND EFFECTIVENESS OF THE MEETINGS.

June 13, 2013 4:00 p.m. – Ely Volunteer Fire Hall - 499 Mill Street - Ely, Nevada.

Mayor Jon Hickman called the Regular Meeting of the Ely City Council to order at 4:00:07 PM, Rom DiCianno led in the Pledge of Allegiance, Norma Engberg offered the Invocation and Mayor Hickman asked for Roll Call.

Members present:

Mayor Jon Hickman
Councilman Robert Sedlacek
Councilman Dale Derbidge
Councilman Rom DiCianno
Councilman Marty Westland
Councilman Shane Bybee
Councilman Elect Bruce Setterstrom
Councilman Elect Randy Lee
Councilman Elect Sam Hanson

City Staff present:

City Clerk James Alworth
City Attorney Kevin Briggs
City Treasurer Janette Trask
City Fire Chief Ross Rivera
City Engineer B.J. Almberg
City Water/Sewer Supervisor Ron Jenkins
City Assistant Landfill/Street Supervisor Thomas

Lawrence

City Parks/Animal Control Supervisor Mike Cracraft
Minutes Clerk Jennifer Lee

City Staff absent:

City Building Inspector Brad Christiansen

Also in attendance: Members of the public were asked to sign in and the sign-in sheet appears below.

Ely City Council
PLEASE PRINT YOUR NAME

Please print your FIRST & LAST name clearly for the attendance list.

6-13-13

<u>Pence Marshman</u>	<u>Alice R. Souza</u>
<u>Melody VanCamp</u>	<u>George Chachas</u>
<u>GARY TALL</u>	<u>Art VanCamp</u>
<u>SAM OAK</u>	<u>Mary Elizabeth</u>
<u>CAROL CLANTON</u>	<u>Mary Bassett</u>
<u>Maddy [unclear]</u>	<u>Jan Friedman</u>
<u>Terrilyn Diamond</u>	<u>Andrea Westland</u>
<u>MAUREEN OTZELBERGER</u>	<u>MICHAEL ADAMS</u>
<u>Tom Wiedmeyer</u>	<u>Gregory Rivero</u>
<u>DAVID LANGER</u>	<u>Joy O'Brien</u>
<u>Sto PAVLAKIS</u>	<u>Ken Plummer</u>
<u>Wynn Cox</u>	_____
<u>Lia Burleigh</u>	_____
<u>Eldra Johnson</u>	_____
<u>[unclear]</u>	_____
<u>[unclear]</u>	_____
<u>[unclear]</u>	_____
<u>[unclear]</u>	_____
<u>MICHAEL CUSICK</u>	_____

2. PUBLIC COMMENT: Comments not exceeding three (3) minutes in length will be accepted from the general public in attendance. If any are made, there may be discussion upon those comments. No vote, decision, or action may be taken upon matters raised under this item until it is formally placed on the agenda. **Comments during Discussion Items will not be accepted from the General public.** "Section 8.04, of the Nevada Open Meeting Law Manual indicates that the Public Body may prohibit comment if the content of the comments is a topic that is not relevant to or within the authority of the Public Body or if the content of the comments is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational or amounting to personal attacks or interfering with the rights of other speakers".

Marty Westland read the letter appearing below.

June 13, 2013

Dear Friends,

I want to begin by extending to all of you my most sincere "thank you" for the outpouring of kindness and support that was given to me during my medical crisis. I am extremely humbled. Your thoughtfulness meant more than I can ever explain or repay. Thank you!

However, I am outraged by the actions of three cowards at the May 23rd City Council meeting. Three weeks ago today, this body voted (apparently against the opinion of our City attorney) to hire an outside attorney to go after me on ethics violations. They voted to spend our money, public money, with NO LIMIT specified on that expenditure, to pursue vague and undefined charges against me. And no one even bothered to talk with me. To see what the truth might be. To see if there is even a basis for charges. But that is every person's right. In Nevada, if you suspect the ethics of a public official, all it takes is a letter to the proper agency and an investigation will be conducted. You don't need to hire an attorney. Just name your charges. But three Councilmen voted to spend YOUR money, and that is what has me so upset. One or all of those men could have personally filed charges, and I am happy to answer, but to vote as a Council to spend public money on an election-eve smear campaign is mis-use of public funds.

Thank God, in this country the voters have the final authority, and today we have three new men on the Council. I urge each of you freshman Councilmen to pursue the best interests of the people of Ely. Spend our money wisely. Treat everyone fairly. Just do the right thing, and everything will come out fine.

Congratulations to the new Councilmen, and "Thank You" to the public for all your support.

Sincerely, Marty Westland

George Chachas stated ongoing concerns regarding the White River Museum rates; Senator Goicoechea's landfill billing; City Code 1-6B-6C; whether the County paid for water used at the Golf Course; and an updated Home Occupation/Special Use permit list. In reading the Sherriff Blotter report dated May 2, 2013, the City filed a complaint regarding theft of a City utility; I'd like to know who filed the complaint, who was the person or entity that was cited, when did the Board address the issue and what was the outcome. The County is about to break ground on the new pool on property belonging to the County; they have yet to apply for a building permit or Water/Sewer Will Serve. I believe it would be illegal for them to tap into the High School connections. You guys claim to be strapped; as a taxpayer, I want you to collect every dime. Please table Items 7B-1 and 7B-2 on your agenda today to give the new Council Members time to make a thoughtful vote on those items.

3. SWEARING IN OF NEW CITY OFFICERS

1. Council Members – City Clerk Alworth - Discussion/For Possible Action - Swearing in of new Councilman to Seat 1 for a four-year term.
2. Council Members – City Clerk Alworth - Discussion/For Possible Action - Swearing in of new Councilman to Seat 3 for a four-year term.
3. Council Members – City Clerk Alworth - Discussion/For Possible Action - Swearing in of new Councilman to Seat 5 for a four-year term.

City Attorney Briggs stated from somewhere I've heard that there was a possibility the three Councilmen that won't still be on the Council weren't going to be here today, so I was concerned about quorum to get this meeting started and contacted the Attorney General's office; he indicated to me that because this is not an action of the City Council, there was nothing preventing us from having them sworn in early, so we would make

sure we had quorum. I sent that message out and two of the City Councilmen were sworn in by Judge Steven Bishop. We have asked Lin Burleigh if she would take care of the public swearing in.

White Pine County Clerk Burleigh thanked Councilman Sedlacek, Councilman DiCianno and Councilman Bybee for their service.

White Pine County Clerk Burleigh swore in Bruce Setterstrom, Randy Lee and Marion J. Sam Hanson as Councilmen to Seats 1, 3 and 5 respectively.

Councilman Setterstrom, Councilman Lee and Councilman Hanson took their seats at the City Council table.

4. CITY DEPARTMENT REPORTS

- FIRE CHIEF

City Fire Chief Rivera stated I'll be taking a couple days of vacation Tuesday and Wednesday of next week; Thursday and Friday I'll be in Mesquite for Nevada's Fire Fighter's Association Training Conference. If you need anything, you can always contact me by cell phone.

Councilman Derbidge asked how's your 5th man working out?

City Fire Chief Rivera stated great! Hopefully next week, he'll be pulling some full shifts.

Fire Chief Rivera's blotters are on file at City Hall.

- POLICE CHIEF

Police Chief Watts' blotters are on file at City Hall.

- CITY CLERK

City Clerk Alworth thanked White Pine County Clerk Lin Burleigh for stepping in.

- CITY ATTORNEY

City Attorney Briggs stated I would like to thank the three outgoing Councilmen for their service and look forward to working with the new City Councilmen. Janette sent out some information with regards to training put on by the Local Leaders Institute from the University of Nevada Reno in Eureka this weekend; it's going to be talking about local government, the Open Meeting law and budgetary things.

Councilman Hanson stated they're having another session in Las Vegas in mid-August.

- CITY ENGINEER

City Engineer AlMBERG stated congratulations; I look forward to working with you guys. The plans for the BLM's water line extension to their new seed warehouse at the Industrial Park came across my desk and I hadn't seen them. The burial depth on the plans called for four feet and our City Code calls for five feet. I didn't see a backflow prevention and cross connection on the plans. I called the engineer and he adjusted his plans to require five foot of depth. The engineer also provided additional plans showing cross connection/ backflow located inside of the building. I signed a Will Serve for the Shoshone Tribe; they're doing some additional lots on their property. To do the length of that extension requires State approval and I told him they could not proceed with construction until we get the letter back from the State. *Mt. Wheeler* came to our office regarding their easement for an electrical line coming off their substation towards the Cemetery heading down to Aultman Street; as they come across the hillside there's some washouts and deep ditches, so they've proposed putting in twenty-four inch (24") culverts with headwalls to protect their utilities as they cross these washouts. Based on

preliminary information they provided me, I felt that would be adequate; we anticipate being able to use those same utility facilities when we pipe that water. Our Building Inspector called me onto High Street because of an undesirable situation where two neighbors are sharing the same sewer lateral; these neighbors are working through that issue, but sometimes neighbors don't. The Water Supervisor and I drove around today looking at future improvements; one is at the 10th and M well in order to flush it through a pipe to a different location, so as not to affect neighboring properties.

FIRST OF THE MONTH REPORTS

- CEMETERY SEXTON



CITY OF ELY

501 Mill Street Ely, Nevada 89301
City Hall (775) 289-2430 - Fax (775) 289-1463

TO: Mayor Hickman and City Council
FROM: Brian W. Bainbridge, Cemetery Sexton
DATE: May 31, 2013
SUBJECT: Monthly Report

For the month of May, the Cemetery had seven services.

We mowed and used weed eaters to get the entire Cemetery ready for the Memorial Day Holiday Weekend.

Any questions, don't hesitate to call or stop in.

Brian Bainbridge
Cemetery Sexton

- WATER/SEWER SUPERVISOR



CITY OF ELY

501 Mill Street Ely, Nevada 89301

City Hall (775)289-2430

Water Sewer, Wastewater Treatment Plant / Certified Laboratory (775) 289-2150 - Fax (775) 289-1463

Date: June 6, 2013
To: Mayor, Council and Board Members
From: Ron Jenkins, Water Sewer and Wastewater Treatment Plant
Subject: Monthly Report

Water Sewer Department;

During the month of May the following water services was replaced.

- 265 H St was terminated
- 1313 Ave H
- 996 Pine St.- Patched

Main Breaks;

- 1250 Ave L

A total of ten days was spent on Center St. Replacing seven water services and extending meter pits to the proper depth.

Wastewater Treatment Plant;

The centrifuge should be back in service by mid June. The rest of the plant is running in compliance with no violations.

If anyone has any questions or concerns, feel free to contact me anytime.

- LANDFILL/STREET SUPERVISOR



CITY OF ELY

501 Mill Street Ely, Nevada 89301
City Hall (775) 289-2430 - Fax (775) 289-1463

Date: May 31, 2013
To: Mayor Hickman
City Council Members
Utility Board Members
From: Rick Stork - Landfill/Street Supervisor
Subject: Monthly Report – Landfill/Street Department

Landfill

We conducted daily operations and maintenance of the equipment during the month of May. We have received 3,150.08 tons of garbage in the class 1 site, for the year averaging 21 tons per day. We have received 1,797.08 tons of waste in the class 3 site, for the year averaging 11.98 tons per day. We did the daily operations and maintenance of the equipment. We serviced the equipment as needed. We worked on the new pond on the North side of the Landfill. We have the pond completed and still need to rip and level the floor. We have been cleaning up the horse manure at the corrals and hauling it to the Lackawanna Mill tailing ponds. We had a tire shipment shipping 19.71 tons. We also are in the middle of a metal shipment. We hope to ship around 140 tons.

During the month of June we will do daily operations and maintenance of the equipment as usual and handle anything else that may come up. We will continue to work on the pond when time permits.

Equipment Status:

All of the equipment is up and running.

Street Department:

During the month of May we washed and swept all of Central Ely, the Terrace, all of the downtown area, all of Murry Canyon and lower East Ely from 7th Street East to 11th Street East. We are currently working from 11th Street East to the City Limits on Ave C. We filled in potholes with sand as needed. We should get our cold mix asphalt the first part of June. By then we should be done cleaning streets and go right into patching potholes. The Johnston Street sweeper went down for about a week, but is back up and running again.

During the month of June we will stay busy working on equipment as needed. We will finish washing and sweeping the rest of East Ely. We will haul our cold mix asphalt as soon as the plant is up and running and start patching potholes. We will also handle anything else that comes up.

Equipment Status:

All of the equipment is up and running.

Councilman Derbidge asked what do we have to pay for a shipment of tires?

City Assistant Landfill/Street Supervisor Lawrence stated tonnage.

Councilman Derbidge asked where do they go?

City Assistant Landfill/Street Supervisor Lawrence stated *Salt Lake Tire Recycling*.

- PARKS/ANIMAL CONTROL SUPERVISOR



CITY OF ELY

501 Mill Street Ely, Nevada 89301
City Hall (775) 289-2430 - Fax (775) 289-1463

TO: ELY CITY COUNCIL
FROM: MIKE CRACRAFT PARKS & ANIMAL CONTROL SUPERVISOR
RE: MONTHLY REPORT

During the month of May, we've been working on all three parks, cleaning and mowing. We installed the additional Broadbent Park fencing on 1st Street. I met with *Sunrise Engineering* regarding the SNPLMA upgrades to our parks; a contractor will be here June 12th, with construction to start soon after on Broadbent and Bianchi. SNPLMA upgrades to North Park will be completed next year. Our grant applications to the Tour and Rec Board have been turned in for portable backstops, more flags for the decorative light poles and enough fencing to finish Broadbent Park.

Animal Control has been running good.

If there are any concerns or comments, please feel free to contact me.

Animal Control Monthly Report
08

Month MAY

Date 5-31-13

Moneys collected:

Adoptions: 25-25-25-25

Went home: 75

Owner Surrender: _____

Owner Euthanized: 10-10

Number of Animals Impounded: ~~||||~~ ~~||||~~ ~~||||~~ ~~||||~~ ~~||||~~ ~~||||~~ ~~||||~~

Number of Animals Released to owners: 1

Number of Animals Adopted: ||||

Number of City Euthanized: ~~||||~~ ~~||||~~ ~~||||~~ ~~||||~~ ~~||~~ CATS
Dogs

Notes:

City- /	dogs-	Cats-
-	<u> </u>	<u> </u> <u> </u> <u>1</u>
County- /	dogs-	Cats-
-	<u> </u> <u> </u>	<u> </u> <u> </u> <u>1</u>
Other- /		

City Parks Supervisor Cracraft stated the County Commission awarded the bids for the Broadbent, Bianchi and Jack Caylor park projects yesterday; Jim Wilkin was the low bid on all of it. As soon as I get more on the bids from *Sunrise*, I'll give it to you. After talking to Councilman Derbidge, we need to put on the agenda for the next meeting how we want to process the toys outside here.

City Attorney Briggs asked have we ever received a response from *Sunrise*? They were going to contact to see if SHIPO was okay with this.

City Parks Supervisor Cracraft stated I was told yesterday that everything is good.

5. THE MAYOR WILL RECESS THE REGULAR CITY COUNCIL MEETING FOR A MEETING OF THE NEVADA NORTHERN RAILWAY BOARD OF TRUSTEES.

Chairman Derbidge opened the meeting for the Northern Nevada Railway Board of Trustees.

1. Executive Report

NEVADA NORTHERN RAILWAY

A NATIONAL HISTORIC LANDMARK



1100 Avenue A • PO Box 150040 • Ely, Nevada 89315
Toll Free: (866) 407-8326 • Voice: (775) 289-2085 • Fax: (775) 289-6284
Web: www.nnry.com • e-Mail: info@nnry.com

Executive Director's Report – June 7, 2013

1. Locomotive Status – Updated
 - a. Locomotives in service: #40, #93, #204, #310, Wrecking Crane A & Rotary B.
 - b. Locomotive #109 is out of service.
 - c. Locomotives out of service needing moderate repairs: #105, #45
 - d. Locomotives waiting funding for restoration: Steptoe Valley Smelting and Milling #3, #81 and Rotary Snowplow B (for boiler overhaul.)
 - e. Locomotives out of service needing heavy repairs #801, #802, #81, #80 and the military locomotives

2. Rolling Stock Status – No Change
 - a. Passenger equipment in service: #07, #08, #09, Flatcar #23, Coach #5, Baggage Car/RPO #20, Outfit Car #06.
 - b. Passenger equipment out of service: #10, #2 and #05 needing heavy repairs.
 - c. Caboose in service: #3, #6 and #22 are operational.
 - d. Caboose out service: #5
 - e. Nevada Northern Rotary B in service.

3. Track Status – No change
 - a. Keystone Branch is open
 - b. The mainline to MP 132 is open.
 - c. Adverse Branch is open.

4. Building Status – Update
 - a. CCA Grant 10-23 Rehabilitation of Nevada Northern Railway Complex this grant is completed.
 - 1) Ice House Exterior Rehabilitation: The building has been patched, pressure washed, primed and it has been painted.
 - 2) Carpenter Shop Window Rehabilitation completed.
 - 3) Wash House Roof completed.
 - 4) Master Mechanics Building Platform completed.

5. Ridership and Ticket Sales – Updated
Ridership in May was 1,370 passengers. This is a 10% increase over the previous year. Ridership year to date is 2,545, an 8% increase over the previous year. In May we were visited by two major car clubs, Classic Cars of American and the Bentley Drivers Club.

Award Winning Destination

Nevada State Treasure • Best Preservation Effort in the West • Attraction of the Year - 2012
Best Place to Take the Kids in Rural Nevada - 2011, 2010, 2009, 2008 & 2007
Best Museum - Special Recognition - 2010
Best Museum in Rural Nevada - 2009
Favorite Nevada Attraction • Best Rural Museum in Nevada - 2008

6. Membership – No changed

Membership program/level	Fee	Members
NNRy Membership-Active	\$30	1,311
NNRy Membership-Contributing	\$50	572
NNRy Membership-Centennial	\$100	558
NNRy Membership-Sustaining	\$250	81
NNRy Membership-Patron	\$500	40
NNRy Membership-Friend	\$1,000	14
NNRy Membership-Lifetime	\$1,000	163
NNRy Membership-Supporter	\$2,500	0
NNRy Membership-Benefactor	\$5,000	0
NNRy Membership-Leader	\$10,000	1
NNRy Membership-Donor	Misc	6
NNRy Membership	Total	2,746

7. Grants – Updated

- a. Grants Written - \$87,902
- b. Grants Awarded - \$13,800
- c. Grants Pending - \$87,902
 - i. Web Marketing, Fulfillment and Database Grant - \$7,500
 - ii. Nevada Northern Railway Television Episode - \$30,000
 - iii. Expanded Loneliest Road Billboard Campaign – \$39,805
 - iv. Nevada Northern Railway Billboard Campaign - \$10,597
- d. Grants Under Administration - \$1,552,585
 - i. PE-13-50 Nevada Northern Railway Special Event and Services Marketing - \$25,000
 - ii. PE-13-51 Social Media Project – \$11,928
 - iii. PE-13-49 Auto Club Initiative - \$7,500
 - iv. GBHP Plaza Improvements - \$70,000
 - v. GBHP American Restoration Grant - \$10,000
 - vi. White Pine Tourism & Recreation - \$20,000
 - vii. Web Marketing, Fulfillment & Database Grant - \$7,500
 - viii. Rack Cards and Distribution - \$6,400
 - ix. Highway 50 Survival Guide Kiosks Software - \$28,000
 - x. Smart Phone App for Nevada Northern Railway, National Historic Landmark - \$8,645
 - xi. AT & T Mobile Phone App - \$6,000
 - xii. Great Basin Heritage Area - \$25,000
 - xiii. CCA 10-26 Urgent Building Repair and Dormitory Project - \$180,000
 - xiv. NPLMA – Walking Trail, parking and lighting, in conjunction with EDC \$586,464
 - xv. NDOT McGill Track Restoration - \$497,076
 - xvi. NCOT PRT 12-21 Ely Community Tourist Radio - \$16,000
 - xvii. Daily Foundation - \$13,800 to install the Wig-Wag Signals.
 - xviii. Samuel Freeman Charitable Trust - \$65,000

9. Funding Raising Program – No change

- a. The 2013 Nevada Northern Railway coin series continues with Wrecking Crane A
- b. The Nevada Northern Railway Locomotives coin series continues in 2012 celebrating our 25th year of operation.

10. Earmark Funds - \$1,710,945 – Updated

The track rehabilitation plan has been submitted to both the PUC and NDOT. Work is continuing to on having the money available for the 2013 construction season.

I was informed that the City of Ely can submit an invoice for the purchase of the railroad and the \$750,000 will be released to payback the loans.

11. Promotion and Marketing – No change

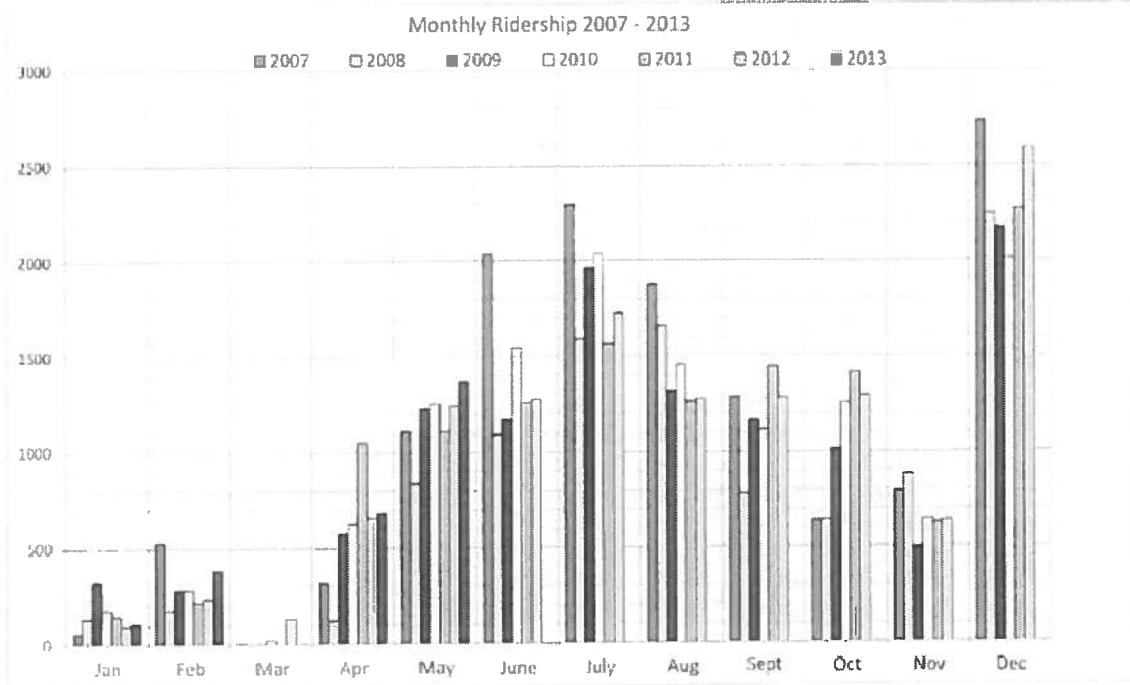
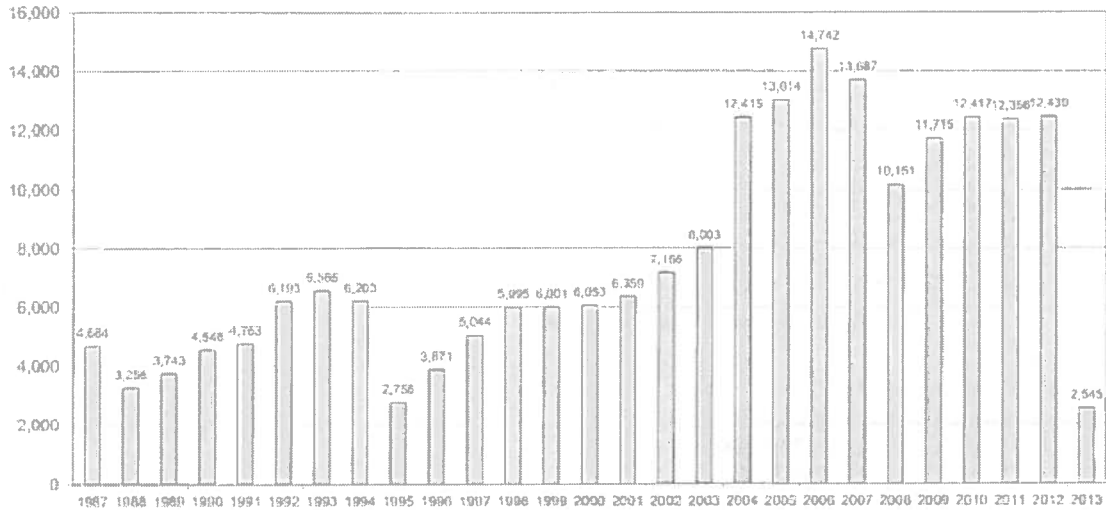
- a. Ghost Tracks is in development.
- b. The 2013 Brochure has been printed.
- c. The 2013 Calendar is printed and in distribution.

12. Upcoming Events – Updated

- a. Father's Day – All Dads Ride Free
- b. 4th of July Fireworks Train

13. TIGER Grant – The TIGER Grant was successfully submitted. It was for \$14,893,289 in addition there was a match of \$4,750,000. Total amount of the project is \$19,643,289. This will open the tracks from Shafter to Keystone.

Ridership 1987 - 2013 206,687 Passengers Through May 31, 2013



Executive Director Bassett stated the Bentley Drivers Club from London, England shipped their cars to Los Angeles and drove to Ely; their Bentleys were from the late 20's and early 30's. I got a news release that the TIGER grant has four hundred fifty million (\$450,000,000.00) to give away and received nine billion dollars (\$9,000,000,000.00) in requests. We received letters of support from Senator Reid; Nevada DOT; Representative Horsford; the Governor's Commission on Economic Development; Elko, Eureka and White Pine Counties; and the mines.

Chairman Derbidge stated we didn't get a list of the outstanding loans; it should be on there monthly.

Executive Director Bassett stated okay. They haven't changed much.

Chairman Derbidge stated your report says you were informed on the purchase of the railroad; do you know anything about that Kevin?

City Attorney Briggs stated yes, I'm working on that. I submitted one invoice and they sent it back, saying they needed additional information.

Chairman Derbidge stated so we still don't have the money yet.

City Attorney Briggs stated no.

Chairman Derbidge asked was the rock that the Mine donated part of their four million (\$4,000,000.00)?

Executive Director Bassett stated yes it was.

Chairman Derbidge asked it's been tested and approved by the Railroad?

Executive Director Bassett stated the Railroad approves and tests it; there is no federal standard for ballast. *Union Pacific* and *BNSF* have standards; we get to elect the standard and are looking for is a rock that gets the track up out of the mud, with angular sides promoting drainage.

Chairman Derbidge asked will the *Union Pacific* run their cars on tracks with ballast that they don't approve.

Executive Director Bassett stated all railroads enter into interchange agreements and we will be able to tell the *Union Pacific* that our track matches FRA Class II standards.

Trustee Westland asked has that rock been tested, such as hardness?

Executive Director Bassett stated right now it's just rock.

Trustee Westland stated the reason I ask is I remember two years ago the statement was made that there was going to be a commitment to testing that rock and that indeed, it had been; I'm wondering if we have any of those results.

Executive Director Bassett stated there are no tests for the rock. Ideally, I would like to go to the *Union Pacific* quarry. The question becomes, what can you afford. For the past hundred years the Nevada Northern Railway has not used ballast on their track. Shafter to McGill Junction is the original 1905-06 construction. In all the years that *Kennecott* ran on that track, they never put ballast underneath those ties. The grant that we submitted is one phase; the next phase is to put heavier rail in that track, which is around twenty-five million dollars (\$25,000,000.00) from Shafter to Currie and forty-five million dollars (\$45,000,000.00) from Currie all the way into town.

Trustee Westland stated I applaud your efforts, Mark and there's no one that wants this open more than I do. My concern is we've applied for this grant, but we are relying for almost the entire match on this rock.

Executive Director Bassett stated yes.

Trustee Westland stated I do not want to get in a situation where that might be rejected.

Executive Director Bassett stated if you would like, I will bring you the CFR. The only person who can reject this rock is us.

Trustee Westland asked there's no government oversight over how we use this money?

Executive Director Bassett stated no.

Trustee Westland stated or what the match is?

Executive Director Bassett stated no.

City Attorney Briggs stated there is government oversight and they approve the value of the match; they don't look at quality of the rock, though.

Executive Director Bassett stated when I said no, the government can't say 'that rock isn't good enough', because the Code of Federal Regulations – which the FRA, PUC and Northern Nevada Railway all have to follow - is silent on the type of rock.

Trustee Hanson asked what's the timeframe on this project?

Executive Director Bassett stated if the grant is approved, they want us to start construction September of next year.

Trustee Hanson asked it would be completed . . . ?

Executive Director Bassett stated if we have cooperative weather, you're looking at a six-month job.

Trustee Setterstrom asked do you foresee any problems with DOT allowing you to put a crossing at Currie?

Executive Director Bassett stated the DOT would prefer that we didn't put a crossing there, but we have senior land rights and a customer. DOT will not accept what we had there in the past; they want the Currie crossing to be four lanes with extra long gates, additional gates and a remote signal on Currie Hill.

Trustee Setterstrom stated I would hate to see this money spent on new track and then stopped by the DOT.

Executive Director Bassett stated absolutely. The DOT will have to sign off on this.

City Attorney Briggs stated didn't you say the DOT submitted a letter of support?

Executive Director Bassett stated yes. People with the State Transportation and Rail plans all want to see that track in service. There was a study with the State Highway Preservation plan showing fifty percent (50%) of the roads that the Mine uses from here to Wendover are in fair condition, so NDOT wants to see trucks off of the highway to extend the life of the road from here to Wendover. The Mine wrote a very strong letter of support for this.

Trustee Hanson asked but we don't have any document committing them to this?

Executive Director Bassett stated no, we do not have a contract.

Trustee Hanson stated so they could back out of it.

Executive Director Bassett stated there is no cheaper way of transporting their copper concentrate than by rail.

City Attorney Briggs stated the Mine has also agreed to pay around \$8,000.00 to do this TIGER grant application.

Executive Director Bassett stated yes. The Mine also uses a million gallons of fuel a month, so you have that rolling through our City. Rehabilitating the line takes hazardous material off the street and extends the life of the Mine because their transportation costs will go down on their in- and out-bound loads.

Mayor Hickman stated hopefully, we'll have freight coming in with goods and products.

Executive Director Bassett stated exactly. One of the letters we received was from *Bath Lumber*; they built a spur into their business. We received twenty-three letters of support. Four Hundred carloads of hay a year leaves Eureka County.

Trustee Hanson stated so there's no prospect for passenger service?

Executive Director Bassett stated Class II meets the standards if there was an economic need.

Mayor Hickman stated otherwise, the McGill line would be open.

Executive Director Bassett stated yes. The advantage to using the McGill line over Keystone is we have a destination of the station in McGill, more visibility – as we cross US 93 three times - and plans for a museum on *Kennecott Copper* and immigration in the McGill Depot.

2. Board Members – Executive Director Bassett - Discussion/For Possible Action – Consideration to extend a formal Thank you to *Robinson Nevada Mining Company* for donating payment for the TIGER Grant application grant writer, rail line rehabilitation cost/benefit analysis and four million dollars (\$4,000,000.00) worth of rock as a TIGER Grant match.

Trustee Hanson moved that the Board send a Thank You letter to *Robinson Mine*. Trustee Westland seconded the motion The motion carried unanimously.

Chairman Derbidge stated Jennifer will write the letter.

Trustee Westland asked so we do have the commitment for four million dollars worth of rock?

Executive Director Bassett stated correct.

Trustee Westland stated if you could get the paperwork to us on how many tons of rock that is, it would be great.

Chairman Derbidge adjourned the meeting of the Nevada Northern Railway Board of Trustees and turned the gavel back to the Mayor to reconvene the Regular City Council Meeting.

6. ITEMS FOR DISCUSSION/POSSIBLE ACTION OF THE ELY CITY COUNCIL AS RECOMMENDED BY THE UTILITY BOARD.

1. Board Members –*Robinson Nevada Mining Company (RNMC)* representative – Discussion/For Possible Action – Update to the Utility Board on the *Robinson Nevada* Development, Ruth Pit Development and water mitigation efforts within the City of Ely.

Lisa Friedman, *Robinson Mine* Senior Environmental Engineer, stated I'm excited about the prospects for the Railroad and am glad you can put our rock to good use. We're mining primarily in the Ruth pit, a little bit in the Kimberly pit and mostly moving dirt around in the Liberty pit. We're mainly dewatering in the Ruth pit with a lake from the Liberty pit that we're dewatering. The Mill was down for normal maintenance the past few days and will be back up tonight.

Councilman Derbidge asked what happened with RW 6-P?

Lisa Friedman stated RW6-P dropped in pumping capacity and we wanted to make sure there was nothing going wrong with that well or pump and pulled the pump today. I haven't gotten an update yet from the drillers, but will have that tomorrow morning.

2. Board Members – City Engineer AlMBERG – Discussion/For Possible Action – Consideration to award bid for the Waste Water Treatment Plant Screw Pump Replacement.

City Engineer AlMBERG stated we received two bids back (appearing below), one from *O'Flaherty Plumbing and Heating* and *Yerba Buena* out of San Francisco. We analyzed the bids and recommend you award the project to *O'Flaherty Plumbing & Heating*, as they are the lowest responsive, responsible bidder.



CITY OF ELY
 WWTP SCREW PUMP REPLACEMENT
 BID TAB

6/11/2013

Bid Items	O'FLAHERTY	YERBA BUENA
Removal of Existing Screw Pump	\$ 11,000.00	\$ 25,000.00
New Screw Pump	\$ 73,536.00	\$ 147,000.00
New Handrail	\$ 3,920.00	\$ 6,000.00
	\$ 88,456.00	\$ 178,000.00

NOTES:

1. The projects engineering estimate was \$160,000, done by the previous City Engineer
2. Yerba Buena is a construction company from San Francisco, California
3. The screw pump vendor prices ranged from \$45,000 to \$62,000 respectively.

Councilman Westland moved to award the project to *O'Flaherty Plumbing & Heating*.

Councilman Derbidge stated the Utility Board did not give a recommendation, as they only had two Members and one of the Members is John O'Flaherty from *O'Flaherty Plumbing*.

Councilman Hanson seconded Councilman Westland's motion. The motion carried unanimously.

3. Member O'Flaherty – Tom Bath – Discussion/For Possible Action - Consideration of a residential billing and a commercial billing belonging to Tom Bath.

Councilman Derbidge stated Mr. Bath had a problem with his billing at *Bath Lumber*; he had a meter that was bad, *O'Flaherty* replaced the line, but the meter was still reading wrong.

City Clerk Alworth stated when the condensation was gone around the meter, the Water Department got a gallonage adjustment which came out on his May bill; he's square on that one.

Councilman Derbidge stated he had some atrocious bills for his house on the hill; the Utility Board thought it was a bad meter. Also, his Capital Improvement was charged as a percentage, as a business instead of a house; some months it was \$450.00, so the City was going to correct that. The Utility Board wanted to adjust his bills that were wrong to the highest . . .

City Clerk Alworth stated . . . month for the past year.

City Engineer Almborg stated what also came out of that recommendation is that myself and Ron were going to get with him and see how his system was set up there.

Councilman Derbidge stated the Utility Board thought it would be better to move the meter past the two fire hydrants he has.

City Engineer Almborg stated his fire hydrants are being serviced off of a two inch line; there is an eight inch line, but that valve's closed to force the water through the meter.

Hopefully, we can remedy that situation so the Fire Department doesn't have to worry about a valve off site they have to open to fight a fire there.

City Fire Chief Rivera asked has that hydrant been certified?

City Engineer Alberg stated maybe Ross should go with us.

Councilman Hanson asked what does Mr. Bath want us to do?

Councilman Derbidge stated he was agreeable to the Utility Board's suggestion.

Councilman Hanson moved to accept the Utility Board's recommendation. Councilman Setterstrom seconded the motion. The motion carried unanimously.

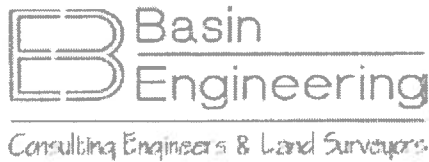
- 4. Chairman Norcross – Discussion/For Possible Action – Consideration of the water testing rates the City of Ely charges the McGill-Ruth Consolidated Sewer and Water General Improvement District.

Councilman Derbidge stated the Utility Board wanted to have Ron come back with a price that he could do it for. It would be a benefit to help Ruth-McGill, so they wouldn't have to fly the samples out. The Utility Board tabled it to come back next month.

Councilman Westland moved to table. Councilman Hanson seconded the motion. The motion carried unanimously.

- 5. Board Members – City Water/Sewer Supervisor Jenkins – Discussion/For Possible Action – Approval to replace and upgrade a section of the water main on Stevens Avenue prior to paving.

City Engineer Alberg stated we're doing an RTC repaving project on Center Street and had leftover funds to pave additional areas; however, there's an old four inch (4") water line in Steven's Avenue.



CITY OF ELY
 STEVENS AVENUE RTC PROJECT 6/11/2013
 WATER MAIN EXTENSION
 PRELIMINARY ENGINEERING ESTIMATE

CONSTRUCTION	UNIT	AMOUNT	COST	TOTAL
8" Water Main	LF	150	\$ 75.00	\$ 11,250.00
Type II Base	CY	10	\$ 18.00	\$ 180.00
Pit Run Gravel	CY	90	\$ 10.00	\$ 900.00
3/4" Meter Box	EA	1	\$ 2,200.00	\$ 2,200.00
3/4" Water Service	LS	60	\$ 30.00	\$ 1,800.00
				\$ 16,330.00

Councilman Derbidge stated the previous Council did not want to pave any street with old utilities underneath them; with that in mind, the Utility Board wanted to proceed with it.

Councilman Setterstrom asked can Ron do it 'in house'.

City Water Supervisor Jenkins stated in the amount of time that it needs to be done, I don't think we could.

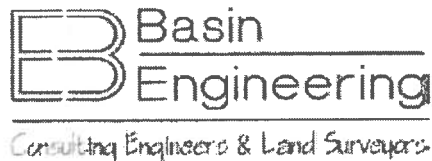
Councilman Westland stated there would be approximately \$2,000.00 in engineering in addition to the cost of \$16,330.00?

City Engineer Almborg stated yes.

Councilman Derbidge moved to replace and upgrade a section of the water main on Stevens Avenue prior to paving. Councilman Hanson seconded the motion. The motion carried unanimously.

6. Board Members - City Engineer Almborg – Discussion/For Possible Action – Approval to replace the sewer main on 1st Street and Sage Street.

City Engineer Almborg referenced the Estimate appearing below and stated I was called to the site of a property owner replacing his sewer lateral; the sewer comes underneath a rock wall at 1st Street connecting to a manhole near the entrance of the Armory and there's multiple residences connected. They can't work underneath the wall, so we recommend extending the lateral from Sage Street, back North towards Aultman a hundred feet and put in a manhole; this would allow each residence to tie into the main without paralleling our roadway.



**CITY OF ELY
SOUTH FIRST STREET
SEWER MAIN EXTENSION
PRELIMINARY ENGINEERING ESTIMATE**

6/11/2013

CONSTRUCTION	UNIT	AMOUNT	COST	TOTAL
8" Sewer Main	LF	100	\$ 75.00	\$ 7,500.00
48" Sewer Manhole	EA	1	\$ 4,000.00	\$ 4,000.00
Type II Base	CY	10	\$ 18.00	\$ 180.00
Pit Run Gravel	CY	90	\$ 10.00	\$ 900.00
AC Pavement Patch	SF	300	\$ 8.00	\$ 2,400.00
				\$ 14,980.00

Councilman Derbidge stated the Utility Board voted to approve this project.

Councilman Hanson moved to replace the sewer main on 1st Street and Sage Street. Councilman Lee seconded the motion. The motion carried unanimously.

7. Councilman Derbidge – Discussion/For Possible Action – Consideration to assign values to the Hydrant and Back Flow with Meter Rental agreement.

Councilman Derbidge stated the City of Ely passed a clean water policy and part of it is backflow preventers. The meters with backflow preventers cost us \$1,600.00, so we needed to change our pricing. The Utility Board wanted to change it to a \$1,600.00 deposit – which is refundable when they bring it back in working order – a monthly meter fee of \$100.00 and a daily fee of \$5.00.

Councilman Hanson asked do we know how this compares with charges from other communities our size in Nevada?

City Clerk Alworth stated the cost of the meter is \$1,507.00, so we're just replacing that. As far as the rental rates, I don't think it's ever been compared.

Councilman Westland moved to accept the Utility Board's recommendations of a \$1,600.00 deposit for the meter, a monthly meter fee of \$100.00 and a daily fee of \$5.00. Councilman Derbidge seconded the motion. The motion carried unanimously.

8. Board Members – City Attorney Briggs – Discussion/For Possible Action – Review and recommendation to the Ely City Council with regards to proposed Ordinance No. 658, Bill No. 2013-04: An Ordinance Establishing Cross Connection Control for Commercial Users of the City of Ely’s Water System to Prevent Backflow and Backsiphonage into the City of Ely Water System.

City Attorney Briggs stated I’ve incorporated comments from the State and the Bureau of Safe Drinking Water. At the Utility Board meeting yesterday there was a recommendation that I better define under the “Hydrant Use”, paragraph D, that I clarify “. . . or a Department approved and inspected air gap system is properly installed” to read “or an Ely Municipal Water Department approved and inspected air gap system is properly installed.” They recommended accepting this as a First Reading.

Councilman Setterstrom moved to approve the First Reading of Ordinance 658 Establishing Cross Connection Control for All But Residential Users of the City of Ely’s Water System. Councilman Derbidge seconded the motion.

Councilman Westland stated with the caveat that we accept the change recommended by the Utility Board.

Councilman Setterstrom stated yes.

Councilman Derbidge stated yes.

The motion carried unanimously.

9. Member O’Flaherty – Discussion/For Possible Action – Clarification of responsibility for water and sewer patches.

Councilman Derbidge stated no action was taken, but during discussion it was clarified that the Street Department would come behind the Water Department and patch after they dig when they have the time and the weather is appropriate.

Councilman Setterstrom stated I think the Street Department should be responsible for fixing the street after the Water Department gets done fixing.

Councilman Derbidge stated right, that’s what they said. The Street Department said they were getting there as fast as they could, but they had . . .

City Assistant Street Supervisor Lawrence stated twenty-eight.

Councilman Derbidge stated . . . that they’re behind. They just got the cold mix . . .

City Clerk Alworth stated . . . two days ago.

City Water/Sewer Supervisor Jenkins stated the equipment’s free on Fridays, so in the summertime we try to do the rough patching until they come.

Councilman Setterstrom asked wouldn’t it be better for them to take full responsibility for it?

City Water/Sewer Jenkins stated if you threw it out there, I would . . . we’re going to do a dig next week; we could leave it to four inches and call them.

Councilman Derbidge stated I think that was what John wanted done.

City Assistant Street Supervisor Lawrence stated some of them are going back in the hot mix, which *Reck Bros.* usually follows up with the thin patches.

7. ITEMS FOR DISCUSSION/POSSIBLE ACTION ONLY OF THE ELY CITY COUNCIL.

1. Discussion/For Possible Action –Minutes.

Minutes Clerk Lee stated I've listened to the audio for the Council meetings of April 3rd, May 9th and May 23rd and the minutes are an accurate representation of what took place. Councilman Hanson moved to approve the April 3, 2013, May 9, 2013 and May 23, 2013 Ely City Council Minutes. Councilman Derbidge seconded the motion.

Councilman Westland abstained from the May 23, 2013 Ely City Council Minutes due to his absence.

The motion carried unanimously.

2. Discussion/For Possible Action - Payment of Bills.

Councilman Derbidge disclosed he is a partner with one of the members of *JCR Construction* in another business, but I don't own any of *JCR*.

Councilman Derbidge moved to pay the bills. Councilman Westland seconded the motion. The motion carried unanimously.

The bills are on file at City Hall.

B. NEW BUSINESS

1. Council Members – City Attorney Briggs – Discussion/For Possible Action - Finalization of land swap between Mike Lemich and the City of Ely for property near the Railroad.

City Attorney Briggs stated there are two small triangular pieces Mike Lemich would like and he's transferring much more than that to the City of Ely. In researching the NRS that pertains to this I discovered that, even though these two small pieces would not have a viable commercial interest for any other purchaser, the Statute indicates we have to pass a resolution indicating that this is in the best interests of the City. I would request that the Council table this until the next agenda.

Councilman Westland moved to table this item. Councilman Hanson seconded the motion. The motion carried unanimously.

2. Council Members – City Attorney Briggs – City Engineer Almberg – Discussion/For Possible Action – Approval of Agreement between the City of Ely and White Pine County for the transfer of land relating to the Golf Course well.

City Attorney Briggs stated B.J. and I met with Mike Lemich a couple weeks ago and we put together two options for the County Commission to address. I attended the County Commission meeting yesterday and they tabled this issue because they want to appoint a committee – which they're going to do at their next meeting – so that they can meet with myself and B.J., as directed by the City Council to work this out with the County. I suggest we hold off on passing the agreement I prepared until we find out what the County wants to do.

Councilman Hanson moved to table this item until the City hears from the County. Councilman Derbidge seconded the motion. The motion carried unanimously.

3. Council Members – Discussion/For Possible Action – Consideration of the White Pine County Commission's request that the City of Ely pay Nineteen Thousand Additional Dollars (\$19,000.00) for Police Protection under the proposed FY 2014 Interlocal Agreement for Police/Fire/Animal Control.

Councilman Derbidge moved to table this item until the new Councilmen meet with the City Treasurer and go over the budgets. Councilman Hanson seconded the motion. The motion carried unanimously.

4. Council Members – City Attorney Briggs – Discussion/For Possible Action – Approval of Consulting Services agreement between the City of Ely and *Basin Engineering*.

City Attorney Briggs stated we did some changes to B.J.'s standard contract and it does indicate the monthly fee is \$4,200.00; \$4,400.00 the second year; and \$4,600.00 the third year for his services.

Councilman Derbidge stated **6.1 Ownership . . . of Work Product**; I thought if we paid for the work, it should be ours.

City Engineer AlMBERG stated you will; you'll get copies of everything we do. It's just that I will also have a copy.

City Attorney Briggs stated do we make that "Co-Owners"?

City Engineer AlMBERG stated "Co-Owners" would be fine.

City Clerk Alworth stated *Summit Engineering* sent over the Landfill stuff to you; will the City still be part of it?

City Engineer AlMBERG stated yes, anything we do for the City will

Councilman Derbidge stated **9.2 . . . LIABILITY**: it's only \$50,000.00. I think that's low.

City Engineer AlMBERG stated we carry a liability insurance of a \$1,000,000.00, a \$2,000,000.00 aggregate; you've been provided a copy.

Councilman Derbidge stated to me it should be listed in the contract that he has a \$1,000,000.00 insurance policy with a \$2,000,000.00 aggregate.

City Attorney Briggs asked rather than limiting the liability to \$50,000.00?

Councilman Derbidge stated right.

City Attorney Briggs stated despite how much insurance he has, you can still limit that liability to the maximum amount that would be paid on any potential claim.

City Engineer AlMBERG stated how about if we put "the insurance we've provided has this amount of liability."

City Attorney Briggs asked and take out the \$50,000.00 limit?

City Engineer AlMBERG stated you could put a liability that's relative to the project.

Councilman Westland stated certainly. How about wording to the effect: "The consultant shall maintain a liability insurance policy of no less than \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate."

City Engineer AlMBERG stated yes, exactly. We will give you an insurance certificate that you guys are named on.

City Attorney Briggs does that include your Errors and Omissions insurance?

City Engineer AlMBERG stated I'm not sure.

Councilman Hanson stated Errors and Omissions would be good considering the recent discussion you've had considering an installation on the Terrace.

City Attorney Briggs stated we'll take out the limitation of liability and put in "Insurance required."

City Engineer Almberg stated yes.

Councilman Derbidge moved to approve with the contract between the City of Ely and *Basin Engineering*, with the two amendments regarding Ownership of Work Product and Liability. Councilman Hanson seconded the motion. The motion carried unanimously.

5. Council Members – City Attorney Briggs – Discussion/For Possible Action – Approval of First Reading of Ordinance 658, Bill No. 2013-04: An Ordinance Establishing Cross Connection Control for Commercial Users of the City of Ely's Water System to Prevent Backflow and Backsiphonage into the City of Ely Water System.

City Attorney Briggs stated this is a duplicate.

6. Council Members – City Attorney Briggs – Discussion/For Possible Action – Approval of First Reading of Ordinance 659, Bill No. 2013-05: An Ordinance Amending Ely City Code 4-2-5 to indicate a property owner who takes his refuse to another landfill and provides proof of payment to another landfill will be relieved of his obligation to pay landfill fees to the City of Ely.

City Attorney Briggs stated a year ago an ordinance was created establishing that a person living in the County taking his trash to an adjoining County's landfill – if he provided proof of payment – would be given credit for that amount of payment. However a couple meetings ago, the City Council thought they ought to receive full credit for their landfill fees; this reflects that decision.

Councilman Setterstrom moved to accept the First Reading of Ordinance 659. Councilman Lee seconded the motion. The motion carried unanimously.

7. Council Members – City Attorney Briggs – Discussion/For Possible Action – Approval of First Reading of Ordinance 660, Bill No. 2013-06: An Ordinance Amending the C-2 Zone to allow for hospitals and other related medical facilities without a Special Use Permit.

City Attorney Briggs stated we discovered when they came in to get approved for the dialysis center that we had no zoning area for medical facilities without a special use permit. We thought we should have a zone where those things could happen without spending money to get a Special Use permit. Ultimately, we will be changing the zoning for the entire hospital area to a C-2 zone; we've been working with the hospital.

Councilman Hanson moved to approve the First Reading of Ordinance 660. Councilman Derbidge seconded the motion.

Councilman Westland stated I'm in full agreement with this. Mayor, you wrote a letter on June 10th to Debra Tannenbaum about this issue. I think you meant to say "Residential zoning does not allow for etc."; what you said was "does allow". I don't know if you want to follow up with her.

Mayor Hickman stated I'll check.

The motion carried unanimously.

Mayor Hickman asked Dale, do you have an idea what the time schedule on the dialysis center is going to be?

Councilman Derbidge stated they haven't got the plans to us, so we can go out to bid. As soon as we go out to bid, it will be quick.

8. Council Members – City Clerk Alworth – Discussion/For Possible Action – Approval to sell Surplus Vehicles, Equipment and Material to the highest bidder.

City Clerk Alworth stated supervisors put together the list of unused items in their respective areas.

DRAFT FOR SALE

The City of Ely is selling the following vehicles, equipment and material to the highest bidder. Vehicles, equipment and material are where is, as is, with no implied warranties or guarantees. Successful bidder must remove vehicles, equipment, and material within five (5) days of acceptance unless other arrangements are made.

<u>Description</u>	<u>Location</u>	<u>Minimum Bid</u>
1986 GMC Single Axle Dump Truck with attached snow plow	City Yard on 11 th Street	\$ 1,250.00
1997 Ford Ranger Pickup	City Yard on 11 th Street	\$ 725.00
Kabota Tractor with Implements	City Yard on 11 th Street	\$ 500.00
Honda Generator EM2500	Fire Station	\$ 200.00
Air Pressure Storage Tank (10' tall x 108" dia.)	City Yard on 11 th Street	\$ 200.00
Corrugated 8' x 8' Storage Shed	Broadbent Park	\$ 100.00
Used 4' High Chain Link Fence	Burn Tower Yard	\$.25 per foot
Plastic Conduit Pipe 1-1/2" dia. x 8' long	Landfill (40 bundles/22 pcs per bundle)	\$ 10.00 per bundle

Inspection of equipment/material shall be June 13, 2013 between the hours of 9 a.m. and 11 a.m.

All bids must be in writing and delivered in a sealed envelope with description of item bidding upon written on the outside of envelope. Name, phone number and address of bidder to be included with bid. Deliver to City Hall, 501 Mill Street by 5:00 p.m. PST, June 20, 2013. The Council reserves the right to accept or reject any bid. Bids will be opened and read June 27, 2013 at the regular scheduled City Council Meeting.

Successful bid must be paid within 48 hours of acceptance by cashier's check, money order or cash. Failure to pay within 48 hours will result in voiding of the bid and the next highest bidder will be contacted.

For more details contact:
Jim Alworth, City Clerk
775-289-2430

Councilman Setterstrom asked have they been offered to any of the other departments?

City Clerk Alworth stated yes; it's been around the table in the Staff meeting.

Councilman Westland moved to accept City Clerk Alworth's list of Surplus Vehicles, Equipment and Material for sale. Councilman Lee seconded the motion. The motion carried unanimously.

9. Council Members – City Treasurer Trask - Discussion/For Possible Action – Approval of Resolution 2013-02 For the purpose of augmenting the CITY OF ELY Redevelopment Fund for unbudgeted engineering expenses from the fund balance.

City Treasurer Trask stated we had never budgeted any expense in this fund, but we incurred some engineering expense; to make it right, we have to augment the Budget.

CITY OF ELY

RESOLUTION NO. 2013-02

For the purpose of augmenting the CITY OF ELY Redevelopment Fund for unbudgeted engineering expenses from the fund balance:

WHEREAS, the CITY OF ELY is an incorporated City within White Pine County, State of Nevada; and,

WHEREAS, augmented expenses will be used for engineering expenses; and,

WHEREAS, the Nevada Revised Statutes 354.598005 sets forth the procedure to augment the budget of a City fund;

NOW, THEREFORE, be it resolved, that the CITY OF ELY, through its City Council, hereby authorize augmentation of the Redevelopment Fund expense in the amount of One Hundred Sixty Eight Dollars (\$168.00) for engineering expenses.

Resolved by the following vote by the Ely City Council on June 13, 2013.

AYES: _____

NAYS: _____

ABSTAIN: _____

APPROVED:
CITY OF ELY

ATTEST:

Jon Hickman, Mayor

James D. Alworth, City Clerk

Councilman Derbidge moved to approve Resolution 2013-02. Councilman Hanson seconded the motion. The motion carried unanimously.

- 10. Council Members – City Treasurer Trask - Discussion/For Possible Action – Approval of Resolution 2013-03 For the purpose of augmenting the CITY OF ELY Capital Project Fund using revenue generated by the Ely Fire Department for responding to out of County persons who are involved in accidents in White Pine County, Nevada, on which the Fire Department must respond. The funds will be applied towards the payments of the Fire Station.

City Treasurer Trask stated this is done on a yearly basis. The monies that the Fire Department brings in on responding go into the General Fund; we then augment it into the Capital Improvement Fund, which makes the payments for the Fire Department.

CITY OF ELY

RESOLUTION NO. 2013-03

For the purpose of augmenting the CITY OF ELY Capital Project Fund using revenue generated by the Ely Fire Department for responding to out of County persons who are involved in accidents in White Pine County, Nevada, on which the Fire Department must respond. The funds will be applied towards the payments of the Fire Station.

WHEREAS, the CITY OF ELY is an incorporated City within White Pine County, State of Nevada; and,

WHEREAS, the CITY OF ELY has received Seven Thousand Seven Hundred Twenty Dollars (\$7,720.00), from responding to out of county persons who are involved in accidents in White Pine County, Nevada; and,

WHEREAS, augmented revenue will be used for making payments on the Fire Station; and,

WHEREAS, the Nevada Revised Statutes 354.598005 sets forth the procedure to augment the budget of a City fund;

NOW, THEREFORE, be it resolved, that the CITY OF ELY, through its City Council, hereby authorize augmentation of the Capital Project Fund from revenue generated for out of County persons involved in accidents in the amount of Seven Thousand Seven Hundred Twenty Dollars (\$7,720.00), to be applied towards the payments on the Fire Station.

Resolved by the following vote by the Ely City Council on June 13, 2013.

AYES: _____

NAYS: _____

ABSTAIN: _____

**APPROVED:
CITY OF ELY**

ATTEST:

Ion Hirkman, Mayor

James D. Alworth, City Clerk

Councilman Derbidge asked do we pay an extra \$7,700.00 on the principal?

City Treasurer Trask stated no, we just put it in there because they don't generate enough to make the full payment.

City Clerk Alworth stated there's not a penalty for early payoff on that loan. We've kept a three-year reserve in there; if something drastic happens to the City, we'd be able to pay on the Fire Station for three years. This helps build up that fund.

Councilman Derbidge stated look and see if there's a penalty to pay down the principal.

Councilman Derbidge moved to approve Resolution 2013-03. Councilman Hanson seconded the motion. The motion passed unanimously.

- 11. Council Members – Discussion/For Possible Action – Consideration to extend a formal Thank you to *Robinson Nevada Mining Company* for donating payment for the TIGER Grant application grant writer, rail line rehabilitation cost/benefit analysis and four million dollars (\$4,000,000.00) worth of rock as a TIGER Grant match.

Councilman Derbidge moved to direct Jennifer to write a similar Thank You letter to *Robinson Mine*. Councilman Hanson seconded the motion.

Councilman Westland stated I am in favor of this, but I want to stress again that we need to get it clearly defined what that \$4,000,000.00 worth of rock is. There's an implication that's been made that this would be crushed and suitable for ballast when we received it.

City Attorney Briggs stated from discussions with people at the Mine, I don't believe they have the capability to crush the rock for us.

Councilman Westland stated we need to quantify exactly what we're accepting.

The motion carried unanimously.

8. REPORTS

CITY COUNCIL

Due to his recent heart attack, Councilmen Westland stated I'm alive.

Councilman Derbidge did not have a report.

Councilman Hanson stated I attended the meeting two nights ago about Comins Lake and the mercury contamination there. I was impressed by the amount of tourism dollars that we've lost because of the signage there, which is indicating you have to be careful about what you eat when in reality, fish there probably aren't any worse than what is pulled out of the ocean, such as albacore, etc. The proposals to mitigate that problem were varied and very expensive; the majority of the people there want to move ahead with them and I think we ought to support that because it does have a direct impact on our tourism dollars. They are hoping to get some grants.

Mayor Hickman stated twelve years ago, Cummins Lake was the 4th largest fishing lake in Nevada.

Councilman Lee stated it is nice to be here.

Councilman Setterstrom stated he had no report.

MAYOR

Mayor Hickman stated we have been talking about internet service before. I invited Sam Hanson, Jim Alworth and Kevin Briggs to meet with myself and Stephanie Tyler and Chris both of *AT & T* on June 6, 2013. *AT & T* is not abandoning the City and has plans. We all emphasized how important the internet is to our City. Stephanie reminded us there is wireless here and also said if a local business is having trouble getting internet, to give her a call. Sam, what would you like to add?

Councilman Hanson stated the wireless option is state of the art. Stephanie mentioned broadband "Exhausts", since they don't have any more room for service line. I asked what does it take to run a profit? It needs to be in the 22,500 population range for them to make a profit, so we're grateful they do what they can for us. I inquired about the security features of wireless and they assured us it is encrypted on both ends and *AT & T* corporately uses this.

Mayor Hickman stated Stephanie said fiber optics that's been sitting without being used for two years is worthless and that technology is ten years old. The company that put it in went bankrupt.

9. AGENDA ITEMS FOR THE NEXT REGULARLY SCHEDULED CITY COUNCIL MEETING.

There were no agenda items presented for the next meeting.

10. PUBLIC COMMENT: Comments not exceeding three (3) minutes in length will be accepted from the general public in attendance. If any are made, there may be discussion upon those comments. No vote, decision, or action may be taken upon matters raised under this item until it is formally placed on the agenda. "Section 8.04, of the Nevada Open Meeting Law Manual indicates that the Public Body may prohibit comment if the content of the comments is a topic that is not relevant to or within the authority of the Public Body or if the content of the comments is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational or amounting to personal attacks or interfering with the rights of other speakers".

George Chachas stated I'd like to have a copy of any disclosure that former Councilmen Rom DiCianno or Shane Bybee gave on anything that they voted in the last couple of years. They were concerned about one other Councilman and in the past, they were concerned about me.

City Attorney Briggs asked are you wanting us to research that for you?

George Chachas stated you should have it on file.

City Attorney Briggs stated it would just be reflected in the minutes. You can come and look at the minutes if you'd like.

George Chachas stated I just said it's not in the minutes.

City Attorney Briggs stated I think there have been some disclosures in the minutes in the last couple of years. Make sure he gets a copy of the minutes that are in writing, indicating that I am telling him as far as I know Mr. Bybee . . .

George Chachas said I'm addressing the Mayor, Counselor; I don't want to hear from you.

City Attorney Briggs stated it is my job to provide legal advice to the Mayor and City Council.

George Chachas stated ongoing concerns regarding the most recent Home Occupation/Special Use permit list; City Clerk Alworth's business *Got Water*; and meeting scheduling. At the last meeting I gave you a copy of some old advertising and a copy of a phone book listing Mr. Alworth's phone number; I'm curious to see if it was in the minutes. The minutes are 'so-called' accurate; that should be in there because it was presented at a meeting. The Water Board ran over by a half hour yesterday; the Planning Commission started its meeting thirty-five minutes late, with no proper notice. I believe that's an Open Meeting violation.

Mayor Hickman stated if there's anything that Mr. Chachas has that you want to put on the agenda, that's up to you guys.

Jim Northness stated I'd like to welcome the new Councilmen. I've been told by more than one City employee that they've been told by the Staff not to talk to any Councilmen, to go through the chain of command. You are the boss of the City Staff. You should have an open door policy. If I was you, I would have a mass meeting with all the City employees, tell them what your policies are, let them know they're welcome to work for the City and that you guys should be contacted if they have an issue.

Councilman Hanson asked could we get Jennifer to get that on the agenda for next meeting?

Minutes Clerk Lee stated yes.

Councilman Setterstrom stated I've been meeting with each individual supervisor and letting them know if they've got a problem, to come and see me.

City Attorney Briggs stated I would suggest you get a copy of our Personnel Policy Handbook.

Councilman Hanson stated I already have.

City Attorney Briggs stated if there is a problem an employee has, you want the supervisor to try to address it and if they can't, then they go to the next step up.

Councilman Hanson stated I think we want to hear what the employees have to tell us.

11. THE MAYOR WILL RECESS THE REGULAR CITY COUNCIL MEETING FOR A CLOSED SESSION.

1. Council Members – City Attorney Briggs – Discussion Only – Consideration of Union Contract Negotiation Guidelines.

City Attorney Briggs stated we don't have any updates in regards to our negotiations yet.

There was no motion to go into Closed Session.

12. ADJOURNMENT: THE MEETING MAY BE ADJOURNED BY APPROPRIATE MOTION OF THE CITY COUNCIL.

Councilman Derbidge moved to adjourn the Regular Meeting of the Ely City Council at 6:11:56 PM . Councilman Hanson seconded the motion. The motion carried unanimously.


MAYOR


ATTEST