



# CITY OF ELY

501 Mill Street Ely, Nevada 89301  
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## ELY MUNICIPAL UTILITIES BOARD REGULAR MEETING AGENDA

September 13, 2018 8:00 a.m. – Ely Volunteer Fire Hall - 499 Mill Street - Ely, Nevada.

1. Chairman O’Flaherty called the regular meeting of the Municipal Utilities Board to order at **8:01 a.m.**, led in the Pledge of Allegiance and asked for Roll Call.

Members present:

- Chairman John O’Flaherty
- Member Dale Derbidge
- Member Ken Ross

Members absent:

- Member Paul Holdaway

City Officials and Staff present:

- City Administrator Robert Switzer
- City Engineer B.J. Almberg
- Deputy City Clerk Jennifer Lee

City Officials absent:

- Councilman Kurt Carson
- City Attorney Charles Odgers

Also in attendance: Members of the public signed in (appears below).

Municipal Utilities Board attendance list. 9-13-18

George Chachas \_\_\_\_\_

Frederick Parley \_\_\_\_\_

## 2. PUBLIC COMMENT

George Chachas stated on your agenda item 3C-2, you’re to consider a possible waiver of the Ely City Code 10-2-4-F-1 requirement; you need to deny that request and adhere to the City Code. I want to remind you of the situation the City had with Terry Gust and Jerry Jones on their lot just above the ballfield; they put in a main, stating they would extend it if someone bought the property. Jack Christiansen brought the property from the Gust-Jones partnership and found out unexpectedly that he had to pay for the extension that should have taken place earlier. There was a litigation and I believe the cost for the extension line was finally paid to the City by Mr. Christiansen. I was never informed by the City regarding my public information request of late fees, penalties and/or interest where ever assessed and collected; it should have never gone to court, the agreement was in writing with the Utility Board. The City may not discriminate in any federally funded or assisted utility. This same situation happened to the Methodist Church; they had to extend that line. You people are selectively enforcing that Code. On your agenda item 3C-3, you’re to consider the recycling contract with *Outwest Excavation*. Section 10-1-9 of the contract clearly states that any and all changes may be made only in an open meeting. There’s not been anything presented to require privacy at all. On your agenda items 3C-1, -2 and -3, you’ve taken out public comment. I’m disappointed the Board is turning their back on the citizens who attend the meeting and you’re limiting the ability to comment. On numerous occasions I’ve asked and presented a request for public information in regards to Councilwoman Jolene Gardner receiving thousands of dollars from the City for the City having encroached her property for utilities; I want to know how much she was paid. I want to know if the 490’ pipe from the Murry Street project was returned. The City has yet to reimburse me for the expenditure I incurred curing a sewer problem at 681 Parker.

Deputy City Clerk Lee stated Mr. Chairman, I apologize for deleting “public comment” on those items, but it’s my understanding you could still ask for public comment.

Chairman O’Flaherty stated public comment will be accepted.

### **3. ITEMS FOR DISCUSSION/ POSSIBLE ACTION OF THE UTILITY BOARD.**

#### **A. CONSENT AGENDA**

**MOTION:** Move to approve the Consent Agenda item 3A-1 Minutes.

Moved by: Member Derbidge Second by: Chairman O’Flaherty Vote: Unanimous

1. Discussion/For Possible Action –Minutes.
  - August 9, 2018

#### **B. OLD BUSINESS**

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.

Frederick Partey stated my name is Frederick Partey. I’m the Environmental Manager for *Robinson Mine*. We continue to mine in Ruth Pit and continue our dewatering efforts, so we can continue mining. Currently we are putting about 2,700 GPM into Gleason Creek and the rest, about 6,300 GPM, goes to the mill; that does not include what’s comes to the City of Ely. The City of Ely is between 3,200 and 3,600 GPM. We see a decline in water levels in the two wells that provide water to the City, which is 6- and 7-P. 7-P has opportunity for us to lower the pump, so we will be able to sustain pumping to serve the City, probably about eighteen more months before we may not be able to provide the whole 3,000; we’re planning to do that in November when demand is low and it will take about a week. During that period the well has to be shut down – 7-P gives us about 3,000 GPM – so we will probably have to turn on the Golf Course well and a few other wells the City has to provide the 3,000 and we’ll pay for the electricity bill for that one week.

Chairman O’Flaherty stated in eighteen months you’re going to shut RP-7 down totally?

Frederick Partey stated no. Right now we see the drop in the water level in both 7- and 6-P. If we don’t lower the pump in 7-P, probably eighteen months from now we will not be able to provide the 3,000 that currently 7-P alone is providing. Lowering the pump will give us an additional eighteen months, so we are talking about probably three more years; hopefully by then, we should be finished mining the Ruth pit.

Chairman O’Flaherty asked do you have to install a larger pump?

Frederick Partey stated no, the same pump. That pump can pump out to more than 4,000 GPM.

Member Ross asked how far do you have to drop this?

Frederick Partey stated two hundred feet more.

Chairman O’Flaherty asked does RP-6 need to be lowered or terminated?

Frederick Partey stated that will be determined, depending on how things go, maybe February of next year.

Chairman O’Flaherty asked do you have any concerns on that, B.J.?

City Engineer Almborg stated no. That’s the first I heard about it, but I’m sure there’s extra capacity built into 7-P to handle that.

Frederick Partey stated I’ll continue to notify you.

Chairman O’Flaherty stated I doubt the Golf Course well is going to be able to pick up that 3,000 gallons.

Frederick Partey stated no, so we may have to put on probably three wells.

City Water Leadman Siemer stated we’ll probably run 17<sup>th</sup> and M and maybe the Golf Course.

City Engineer Almberg stated your demand will be down in eight weeks.

Frederick Partey stated I'll work with Carl way in advance.

Frederick Partey stated once every year we have a joint presentation on *Robinson* water usage, so I'll leave it to Jennifer to organize that.

Deputy City Clerk Lee stated okay.

### C. NEW BUSINESS

1. Board Members – City Administrator Switzer – Discussion/For Possible Action – Recommendation for mayor to sign water pipeline Right of Way NVN-059250 BLM Assignor Consent form and BLM application, transferring Mineral Heights water pipeline right of way from *Robinson Nevada Mining Company* to the City of Ely.

City Administrator Switzer I reported briefly on this last year. I was contacted by a right-of-way surveyor for *Robinson Mine* last year. The intention had been for *Robinson Mine* to give it to the City; for whatever reason, that did not occur. *Robinson Mine* did approach the City last year to take over that right-of-way for that pipeline

Chairman O'Flaherty stated it should be the City of Ely's right-of-way.

Member Derbidge moved to recommend that the mayor sign the water pipeline Right of Way NVN-059250 BLM Assignor Consent form and BLM application, transferring Mineral Heights water pipeline right of way from *Robinson Nevada Mining Company* to the City of Ely. Member Ross seconded the motion. The motion carried unanimously.

2. Councilman Carson – Discussion/For Possible Action – Recommendation to allow the property owners of 930 S. Michigan Avenue (APN 010-650-28) to connect to the City of Ely water line abutting the southwest corner of their property, waiving the Ely City Code 10-2-4-F-1 requirement, which is supported by NRS 534.120 (4), that the property owners must install an 8" water main for the full length of their property in order to connect to the City of Ely water system; the property owners are Ed and Deborah Carpenter.

Member Derbidge stated I have some concerns about this. They want to hook onto the City water line; that's a benefit of being a City resident. If further people want to hook onto the sewer and water, the property should be in the City limits; otherwise, they can drill a well. The City has spent money to build a good water system.

Member Ross stated and they want the City Code waived.

Chairman O'Flaherty stated I have talked to Ed Carpenter and provided a verbal quote, so I will be abstaining.

City Engineer Almberg stated I did have a conversation with the State Engineer's Office because the State Engineer's Office will not allow a well to be drilled within the vicinity of the City of Ely's water department. If a well driller was to come to this property, they would have to inform the State Engineer's Office that there is water in the vicinity.

City Administrator Switzer stated the reason that's in the ordinance is to provide for future growth.

City Engineer Almberg stated with this extension across the front of his property and Mr. Sprouse's approved request to extend, we're 800 to 1,000 feet closer of making a looped connection.

Member Derbidge moved to recommend denying the property owners of 930 S. Michigan Avenue approval to connect to the City of Ely water line abutting the southwest corner of their property. Member Ross seconded the motion. The motion carried unanimously, with Chairman O'Flaherty abstaining.

George Chachas stated I personally don't have anything against those folks; I don't know them.

Member Derbidge stated I don't know them either.

Member Ross stated I don't either.

George Chachas stated the rules are there. If you had not done that to the Methodist Church, had you not done that to the Jones/Gust properties, and then Mr. Christiansen . . . State law says if you're within 400' of the property line from a utility, you must connect and you're doing that to expand the service area for the City of Ely. So if we're going to grow and we have those rules, you have to enforce them. I get tired of seeing the City spending thousands of dollars outside to increase growth and they're neglecting the City of Ely.

3. Councilman Carson – Discussion/For Possible Action – Recommendation to direct City staff and the Council Landfill liaison to meet with Paul Holdaway of *Outwest Excavation* regarding whether to continue the metal recycling contract or renegotiate the contract terms, pursuant to Article III Section 3.0. "Term" in current contract dated December 22, 2016.

Deputy City Clerk Lee read Paul Holdaway's email appearing below.

From: paul holdaway [pholdaway@yahoo.com]  
Sent: Tuesday, September 11, 2018 10:34 AM  
To: Jennifer Lee  
Subject: Outwest contract with city

Jennifer could you please read this for me when my agenda item comes up as I will not be present at either mtg. Thanks.

It has become apparent that some members of the city council and city staff have made the contract between the city of ely and out west excavating a personal matter. Therefore regardless of what recommendation the council makes, any and all proposed changes will need to be submitted in writing to the law office of Barry Clarkson. Legal counsel for outwest excavating. Until the time any modifications are reviewed and agreed upon by both parties Out west will expect the city of ely to stand behind the contract which is already in place and is binding until January 1st 2020.

Sincerely, Paul Holdaway owner of Outwest Excavating

Member Derbidge stated I do business with *Outwest Excavation*.

City Administrator Switzer asked are you charged any different?

Member Derbidge stated no. I'm not charged any different than anyone else. Since Paul's letter was read, it's up to the legal people. I move to recommend that they have a discussion. Member Ross seconded the motion. The motion carried unanimously.

George Chachas stated I'm disappointed that you're recommending staff get together when you don't know what the concerns are. The public doesn't know what the concerns are. The contract 10.9 says everything must be done in an open meeting. What are the concerns?

Chairman O'Flaherty stated there's nothing here that says the discussion won't take place in an open meeting.

George Chachas stated any changes to the contract have to be. Any concerns about the contract have to be. It's bringing us litigation which is not needed.

#### **4. CITY DEPARTMENT REPORTS**

##### **o CITY ENGINEER**

City Engineer Almborg stated we're working through the discharge from our Court House tanks. There's been some confusion on the State's side: We filled out the permit as they requested, turned that permit in and the State said we don't offer that permit anymore. So we got down the permit they're informing us to do a ways and didn't feel it was the right permit; they're moving to all electronic submittal permits and on its own, it brought up our information from our Waste Water Treatment Plant. I got concerned because I didn't want it to affect the Plant's permit. I believe they came back and said 'go back to the first permit'.

Chairman O'Flaherty asked what was the problem with that? The overflow's been taking place forever.

City Engineer Almborg stated now with 6-P and 7-P running constantly, we need a permit because there's consistent overflow. If it was intermittent, I don't believe there would be any concerns. We're working on our Aultman Street sewer and water stuff; I turned over a portion of our plans to NDOT yesterday and got the other portion with the water turned into NDOT today.

We're working through the conflicts that are going on. In certain portions of Aultman Street, we are installing three new infrastructure: sewer, storm drain, and water all in the same portions of the street, so there's a lot of conflicts with things crossing each other and there's a lot of coordination with NDOT. Two months ago when we met with NDOT, they had a list of a hundred and forty conflicts we were having, so I've got plans back to them addressing all of those conflicts.

City Administrator Switzer stated my understanding is where NDOT's infrastructure conflicts with ours, they're paying for the modification of our system.

City Engineer Almborg stated NDOT's going back and looking at the dates of these water lines and we may have senior rights to be there, so there's definitely areas of the community where NDOT will be paying for our modification of our water lines because of these conflicts. I got something two days ago from NDOT on our Great Basin Boulevard on our water line; they indicated there may be three hundred feet of water line in that area they may want to re-locate so they can get their improvements in. From the City's side, that's a substantial cost savings and there's portions we may not have been replacing, but we're getting upgraded lines out of it. Chuck is writing the legal agreement to gift the storm drain easement to the City and we're creating the legal description and exhibit to support that document. The gifting of the easement is contingent upon the County vacating some existing right-of-ways they have there. Based on our discussions with the contractor for the Landfill detention pond, supplies have been short and they anticipate they will be receiving their stuff towards the end of next week.

Chairman O'Flaherty stated I see we had an inspection at the sewage disposal plant; it looked like everything went well.

City Engineer Almborg stated yes. Everything I saw looked like it was a good inspection. Carl has an inspection going on with the Water system today.

City Administrator Switzer stated back on the Wastewater Treatment Plant, we have not had to use the centrifuge for three months; we turned it on a week or so ago and it gave the usual issues, particularly sensor issues, so we're going to work through that. The aeration system seems to be very efficient.

## 5. PUBLIC COMMENT

George Chachas stated ongoing concerns regarding reimbursement for curing a sewer problem at 681 Parker; the water line extension from *Love's* to the Charter School; whether utility billing has been brought back to City Hall; the City not giving credit for those accounts they've overcharged him; his public information request for the backflow device requirement at 7<sup>th</sup> and Clark and next to the *Copper Queen*; and the completion of the valley gutter at Ruby and Orson.

## 6. ADJOURNMENT: THIS MEETING MAY BE ADJOURNED BY APPROPRIATE MOTION OF THE MUNICIPAL UTILITY BOARD.

Chairman O'Flaherty adjourned the regular meeting of the Municipal Utilities Board at **8:50 a.m.**

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MAYOR

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ATTEST