



CITY OF ELKO
CITY MANAGER
1751 COLLEGE AVENUE
ELKO, NEVADA 89801
(775) 777-7110/FAX (775) 777-7119

The Elko City Council will meet in regular session on Tuesday, January 9, 2018

Elko City Hall, 1751 College Avenue, Elko, NV 89801, at 4:00 P.M., P.D.S.T.

Attached with this notice is the agenda for said meeting of the Council.

In accordance with NRS 241.020, the public notice and agenda was posted on the City of Elko

Website, <http://www.elkocitynv.gov/>, the State of Nevada's Public Notice Website,

<https://notice.nv.gov/>, and in the following locations:

ELKO COUNTY COURTHOUSE

571 Idaho Street, Elko, NV 89801

Date/Time Posted: January 4, 2018 at 8:50 a.m.

ELKO COUNTY LIBRARY

720 Court Street, Elko, NV 89801

Date/Time Posted: January 4, 2018 at 9:00 a.m.

ELKO POLICE DEPARTMENT

1448 Silver, Elko NV 89801

Date/Time Posted: January 4, 2018 at 8:40 a.m.

ELKO CITY HALL

1751 College Avenue, Elko, NV 89801

Date: Time Posted: January 4, 2018 at 8:30 a.m.

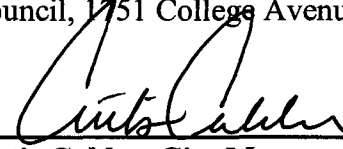
Posted by: <u>Kim Wilkinson</u>	Administrative Assistant <u>Kim Wilkinson</u>
Name	Title Signature

The public may contact Kim Wilkinson by phone at (775)777-7110 or email at kwilkinson@elkocitynv.gov to request supporting material for the meeting described herein. The agenda and supporting material is available at Elko City Hall, 1751 College Avenue, Elko, NV or on the City website at <http://www.elkocitynv.gov/>

Dated this 4th day of January, 2018

NOTICE TO PERSONS WITH DISABILITIES

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the Elko City Council, 1751 College Avenue, Elko, Nevada 89801, or by calling (775) 777-7110.


Curtis Calder, City Manager

CITY OF ELKO
CITY COUNCIL AGENDA
REGULAR MEETING
4:00 P.M., P.D.S.T., TUESDAY, JANUARY 9, 2018
ELKO CITY HALL, 1751 COLLEGE AVENUE, ELKO, NEVADA

CALL TO ORDER

The Agenda for this meeting of the City of Elko City Council has been properly posted for this date and time in accordance with NRS requirements.

ROLL CALL

PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. **ACTION WILL NOT BE TAKEN**

APPROVAL OF MINUTES	December 12, 2017	Special Session
	December 12, 2017	Regular Session

I. PRESENTATIONS

- A. Presentation and possible approval of the Consolidated Annual Financial Report and Audit for the City of Elko for the Fiscal Year ending June 30, 2017, and matters related thereto. **FOR POSSIBLE ACTION**

Mike Spilker with Hinton Burdick CPAs will be in attendance to present the City of Elko's Fiscal Year 2016/2017 Financial Report. JJ

II. PERSONNEL

- A. Employee Introductions:
- 1.) Ashley Cooper, Police Records Technician II, Police Department
 - 2.) Andrew Kellum, Patrol Officer I, Police Department
 - 3.) Melinda Black, Patrol Officer I, Police Department
 - 4.) Dean Pinkham, Patrol Officer 1, Police Department

III. APPROPRIATIONS

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

- B. Review and possible approval of Print 'N Copy Warrants, and matters related thereto. **FOR POSSIBLE ACTION**
- C. Review and possible approval of Great Basin Engineering Warrants, and matters related thereto. **FOR POSSIBLE ACTION**
- D. Review, consideration, and possible approval to solicit bids for the City of Elko Water Main Removal and Replacement Project, and matters related thereto. **FOR POSSIBLE ACTION**

This project is included in the current fiscal year budget. There are four alley locations targeted for replacement in this project. These locations have been selected based on the high volume of waterline repairs in these areas (9 this past year). RL

- E. Review, consideration, and possible approval to solicit equipment bids for the WRF- Emergency Diesel Generator Project, and matters related thereto. **FOR POSSIBLE ACTION**

The current generator (700 KW) is undersized to run all of the necessary plant equipment during power outages and high flows or full plant load. A minimum generator size of 1000 KW is required to do that. Staff desires to solicit bids for a new, larger, 1250 KW generator. This project is budgeted for in the current fiscal year. RL

- F. Review, consideration, and possible approval to solicit construction bids for the WRF-Emergency Diesel Generator Project, and matters related thereto. **FOR POSSIBLE ACTION**

The current generator (700 kW) is undersized to run all of the necessary plant equipment during power outages and high flows or full plant load. A minimum generator size of 1000 kW is required to do that. Staff desires to replace this generator with a larger unit (1250 kW) and solicit bids for the necessary related construction work to remove and replace this unit. This project is budgeted for in the current fiscal year. RL

- G. Review, consideration, and possible final acceptance of the Chilton Centennial Tower Construction Project, and matters related thereto. **FOR POSSIBLE ACTION**

This project was awarded to YESCO in the amount of \$183,860.00 on August 22, 2017. This project had no change orders and was completed on time and in conformance with the plans and specifications. BT

- H. Review, consideration, and possible approval for the Fire Department to accept a Local Giving Grant of \$2,500.00 from Wal-Mart Stores Inc. to assist with cost associated with fire prevention education, and matters related thereto. **FOR POSSIBLE ACTION**

Wal-Mart Stores Inc. has established grants to assist local agencies to fund public education. The City of Elko Fire Department Prevention Bureau has been selected as the recipient of a \$2,500.00 grant for community fire prevention education materials. Wal-Mart has been a great supporter of the Elko Fire Department's fire prevention efforts for many years. JH

IV. UNFINISHED BUSINESS

- A. Review, consideration, and possible approval of a lease agreement between the City of Elko and the Elko Television District, for 2,500 square feet of property located at Elko Regional Airport, and matters related thereto. **FOR POSSIBLE ACTION**

The Elko Television District is requesting to lease 2,500 square feet of property in the vicinity of the airport beacon, for the purposes of installing a utility building and related Elko Television District equipment. A copy of the proposed lease has been included in the agenda packet for review. CC

V. NEW BUSINESS

- A. Review, consideration, and possible action to accept the resignation of Arts and Culture Advisory Board Member Simone Turner, and matters related thereto. **FOR POSSIBLE ACTION**

Ms. Simone Turner's letter of resignation has been included in the agenda packet for review. CC

- B. Review, discussion, and possible authorization to advertise for one (1) vacant position on the Arts and Culture Advisory Board, and matters related thereto. **FOR POSSIBLE ACTION**

Arts and Culture Advisory Board Member Simone Turner has submitted her resignation from the Board, which leaves one vacant position. CC

- C. Review, consideration, and possible action to modify the fees currently charged for reuse water as defined in Resolution 2-08, and matters related thereto. **FOR POSSIBLE ACTION**

At the December 12, 2017 Council meeting, "a Motion was made by Mayor Johnson, seconded by Councilwoman Simons, to direct Staff to solicit bids for the WRF Fill Station less the scope of work of the electronic reader that the City of Elko would not bill for effluent water".

Currently, construction water is the only use which we bill for reuse water. RL

- D. Review, consideration, and possible action to initiate an amendment to Title 4, Chapter 6 of the Elko City Code entitled "Room Tax," and matters related thereto. **FOR POSSIBLE ACTION**

City Staff is recommending several changes to the Room Tax Code to assist with reporting deadlines and auditing compliance. SO

- E. Review, consideration, and possible initiation for the adoption of the '2018 International Existing Building Code' and possible amendments to related existing City Code sections and/or the model IEBC, and matters related thereto. **FOR POSSIBLE ACTION**

The Council took action at its meeting on April, 11 2017 directing Staff to adopt the 2018 Building Code. Currently the City has adopted the 2009 Building code. During the 2015 code change cycle the international code council membership voted to delete Chapter 34, Existing Structures, from the 2015 IBC code and reference the *International Existing Building Code* (IEBC). As a result, the City will be required to adopt the International Existing Building Code as a separate model code. The 2015 IEBC contains more extensive provisions than Chapter 34 of the 2009 IBC, such as seismic and energy requirements. Staff will evaluate the appropriateness of the level of adoption and make a recommendation to the Council. JF

- F. Review, consideration, and possible initiation for the adoption of the '2018 International Property Maintenance Code' and possible amendments to related existing City Code sections and/or the model IPMC, and matters related thereto. **FOR POSSIBLE ACTION**

The Council took action at its meeting on April 11th, 2017 directing Staff to adopt the 2018 Building Code. Currently the City has adopted the 2009 Building code. The 2018 Building Code contains a section entitled "International Property Maintenance Code". Enforcement of this code will require additional Staff and training. As a result, Staff is not recommending adoption of this model code. In addition, the adoption process would require a business impact statement. JF

- G. Review, consideration, and discussion for the appointment of one (1) new member to the Parks and Recreation Advisory Board, and matters related thereto. **FOR POSSIBLE ACTION**

Council authorized Staff to advertise for one (1) open position on the Parks and Recreation Advisory Board at a previous meeting in early 2017. Since then, Staff has received three letters of interest from Ms. Katie Archuleta, Mr. Christopher Kentopp, and Ms. Amber Fox. All have expressed a desire to serve as a member on the Board. The appointment will be for the remainder of the vacant term through June 30, 2019. JW

VI. PETITIONS, APPEALS, AND COMMUNICATIONS

- A. Review, consideration, and possible action to accept a petition for annexation of property to the City, filed and processed as Annexation No. 3-17 by Swire Coca-Cola, Inc., consisting of approximately 3 acres of property located on the north side of West Idaho Street, and matters related thereto. **FOR POSSIBLE ACTION**

- B. Ratification of the Police Chief issuing a 30-day temporary Retail Liquor License and Caterer's Liquor License and issuing a regular Retail Liquor License and Caterer's Liquor License to Mai Burrows, Jaden Enterprises, LLC dba Cowboys, located at 442 Idaho Street, Elko, NV 89801, and matters related thereto. **FOR POSSIBLE ACTION**

VII. 5:30 P.M. PUBLIC HEARINGS

- A. Review, consideration, and possible adoption of Resolution No. 01-18, a resolution of the Elko City Council amending the Elko City Master Plan Acknowledgments, Land Use and Transportation components, and the Land Use and Transportation Atlas Maps #5, #6, #8 & #12, filed as Elko City Master Plan Amendment No. 1-17, and matters related thereto. **FOR POSSIBLE ACTION**

On December 5, 2017, the Planning Commission adopted its Resolution No. 1-17 to amend the Acknowledgments, Land Use and Transportation components, and the Land Use and Transportation Atlas Maps #5, #6, #8 & #12 of the current Elko City Master Plan, and also took action to recommend City Council adopt said amendment via a resolution. An amendment of this type requires positive action by both the Planning Commission and the Council. If the Council suggests any changes to the Master Plan amendment as adopted by the Planning Commission, the Master Plan must first go back to the Planning Commission for review and approval. CL

- B. Review, consideration, and possible action on the Planning Commission's recommendation that the Council deny Zoning Ordinance Amendment 3-17, Ordinance No. 825, amending Title 3, Chapter 2 of the Elko City Code (entitled "Zoning Regulations") adding a new Section 29 entitled "Marijuana Establishments and Medical Marijuana Establishments Prohibited," and matters related thereto. **FOR POSSIBLE ACTION**

At its December 5, 2017 meeting, the Planning Commission considered the action initiated by the Council to establish a new Section 3-2-29 of the Elko City Code to prohibit marijuana establishments and medical marijuana establishments in all zoning districts. Under State law, marijuana establishments and medical marijuana establishments cannot be licensed in areas where such uses are precluded by zoning. The Planning Commission voted to recommend denial of the amendment, in part, because Elko City Code 4-1-5 prevents the City from issuing business licenses to applicants for businesses that violate Federal law, including marijuana establishments and medical marijuana establishments. The Council must either approve or deny the Planning Commission's recommendation. CL

- C. Review, consideration, and possible action on an appeal filed pursuant to Elko City Code 3-2-18(E)(3), appealing the Elko City Planning Commission's decision to deny Conditional Use Permit No. 6-17, filed by Lyfe Recovery Services, LLC., which seeks permission to operate a halfway house within an R (Single Family and Multiple Family Residential) Zoning District, located generally on the east side of

Winchester Drive approximately 400 feet north of Orchard Cove Drive (1683 Winchester Drive), and matters related thereto. **FOR POSSIBLE ACTION**

Pursuant to Elko City Code 3-2-25, the Council may affirm, modify or reverse the decision of the Planning Commission.

The Planning Commission considered the subject conditional use permit on December 5, 2017 and took action to deny the conditional use permit. Subsequently, of the applicant appealed the Planning Commission's decision. CL

- D. Review and consideration of the Business Impact Statement for Zoning Application Fee increases, and matters related thereto. **FOR POSSIBLE ACTION**

Pursuant to NRS 237.090, a Business Impact Statement must be prepared and considered by the City Council prior to the adoption of a resolution increasing Zoning Application Fees. SO

VIII. REPORTS

- A. Mayor and City Council
- B. City Manager
- C. Assistant City Manager
- D. Utilities Director
- E. Public Works
- F. Airport Manager
- G. City Attorney
- H. Fire Chief
- I. Police Chief
- J. City Clerk-**Financial Disclosure Statement**
- K. City Planner
- L. Development Manager
- M. Administrative Services Director
- N. Parks and Recreation Director
- O. Civil Engineer
- P. Building Official

COMMENTS BY THE GENERAL PUBLIC

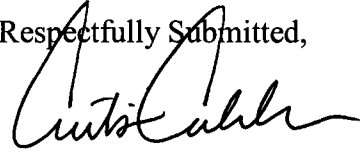
Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. **ACTION WILL NOT BE TAKEN**

NOTE: The Mayor, Mayor Pro Tempore, or other Presiding Officer of the City Council reserves the right to change the order of the agenda, and if the agenda has not been completed, to recess the meeting and continue on another specified date and time. Additionally, the City Council reserves the right to combine two or more agenda

items, and/or remove an item from the agenda, or delay discussion relating to an item on the agenda at any time.

ADJOURNMENT

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Curtis Calder", written in a cursive style.

Curtis Calder
City Manager

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

SS December 12, 2017

The City Council of the City of Elko, State of Nevada met for a special meeting beginning at 3:30 p.m., Tuesday, December 12, 2017.

This meeting was called to order by Mayor Chris Johnson.

ROLL CALL

Mayor Present: Chris J. Johnson

Council Present: Councilman John Rice
 Councilwoman Mandy Simons
 Councilman Robert Schmittlein *arrived at 3:46pm*
 Councilman Reece Keener *arrived at 3:34pm*

City Staff Present: Curtis Calder, City Manager
 Scott Wilkinson, Assistant City Manager
 Shanell Owen, City Clerk
 Jeremy Draper, Development Manager
 Diann Byington, Recording Secretary

PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. **ACTION WILL NOT BE TAKEN**

There were no public comments.

I. PRESENTATION

A. Presentation of the 2017 Mayor's Arts Awards, and matters related thereto.
 INFORMATION ITEM ONLY-NON ACTION ITEM

Mayor Johnson thanked everyone for coming to the 3rd Annual Mayor Arts Awards and thanked the Arts & Culture Advisory Board for all of their hard work to pull this together. He gave a presentation (Exhibit "A").

The awards were as follows:

Chosen ArtistBarry Crawford
Individual Artist.....Sandy Beeler
Arts EducationPatty Fox

Art OrganizationDuncan Little Creek
Service to the Arts.....Elko Broadcasting

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. **ACTION WILL NOT BE TAKEN**

There were no public comments.

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

Mayor Chris Johnson

Shanell Owen, City Clerk

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

SS December 12, 2017

The City Council of the City of Elko, State of Nevada met for a regular meeting beginning at 4:00 p.m., Tuesday, December 12, 2017.

This meeting was called to order by Mayor Chris Johnson.

ROLL CALL

Mayor Present: Chris J. Johnson

Council Present: Councilman John Rice
 Councilwoman Mandy Simons
 Councilman Robert Schmidtlein
 Councilman Reece Keener

City Staff Present: Curtis Calder, City Manager
 Scott Wilkinson, Assistant City Manager
 Ryan Limberg, Utilities Director
 Shanell Owen, City Clerk
 Jonnye Jund, Administrative Services Director
 Aubree Barnum, Human Resources Manager
 Cathy Laughlin, City Planner
 Ty Trouten., Police Captain
 Jeremy Draper, Development Manager
 Bob Thibault, Civil Engineer
 Jeff Ford, Building Official
 Matt Griego, Fire Chief
 John Holmes, Fire Marshal
 Jim Foster, Airport Manager
 Mike Haddenham, WRF Superintendent
 James Wiley, Parks and Recreation Director
 Dave Stanton, City Attorney
 Diann Byington, Recording Secretary

PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. **ACTION WILL NOT BE TAKEN**

There were no public comments.

The minutes were approved by general consent.

I. PRESENTATIONS

- A. A Presentation of a Nevada LTAP Road Scholar Certificate to James Pauley, and matters related thereto. **INFORMATION ONLY – NON ACTION ITEM**

Dennis Strickland spoke about the Nevada LTAP program and handed out information (Exhibit “A”). He presented James Pauley with his Road Scholar Certification.

Paul Algerio, Street Superintendent, said this will be the first of many. There are others taking the classes. We may have another presentation in another month or so.

- B. Review, consideration, and possible authorization for the City of Elko to enter into an agreement with Building Reports/Compliance Center to provide 3rd party inspection reports to City of Elko Departments (Fire, Community Development, Water and Engineering), and matters related thereto. **FOR POSSIBLE ACTION**

A few years ago the previous Fire Marshal approached Council regarding the same type of 3rd party reporting company. However, that company (Compliance Engine) charges for their inspections. The current company Building, Reports/Compliance Center does not charge the community due to Major Company contributions. This reporting system will help City Departments with compliance reporting of required inspection. JH

John Holmes, Fire Marshal, gave a presentation (Exhibit “B”).

Councilman Keener asked if all of the inspection data will be hosted by this website. (Yes) What is the duration of the agreement?

Mr. Holmes answered until we decide not to have it. We can cancel as long as we give a 90 day notice. There are no fees associated with it.

Councilman Keener was worried that since our data will be on their site, they will start charging an annual fee to access it.

Chief Griego said this will not have all of our inspection data. John will go out and do the annual inspections and those are on our emergency reporting. This is for specific things such as compliance with fire alarms. Are third parties coming in to inspect the fire alarms or backflow preventers? This company is helping aggregate these things; the compliance things that the city has to track.

Mayor Johnson said he didn’t know what this was. He stated that he has a conflict of interest because this reporting will benefit a company like his. He abstained from voting. Mayor Pro Tem Rice will finish this item.

Mayor Pro Tem Rice asked for a motion.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to allow the city to enter into an agreement with Building Reports/Compliance Center to provide services outlined in the agreement.**

The motion passed. (4-0 Mayor Johnson abstained.)

II. APPROPRIATIONS

- E. Review, consideration, and possible authorization for the transfer of ownership of Elko Police Department's Canine *Niels* to Officer Jason Checketts in exchange for the adoption fee of \$85.00, and matters related thereto. **FOR POSSIBLE ACTION**

Elko Police Dog *Niels* is a ten (10) year old Belgian Malinois who is in need of retirement. It is in the best interest of the City of Elko to transfer ownership of a highly trained Police Dog to its current handler. Officer Jason Checketts desires to purchase *Niels*. Canine *Niels*' selling price was determined by using the amount set for dog adoptions at the City of Elko Animal Shelter. BR

Ty Trouten, Police Captain, said this is the third K9 that has retired from the Police Department. *Niels* is ten years old and showing his age with grey in the muzzle. He has been with Officer Checketts for the last 7 years. This is a trained animal and would need a handler that is likewise trained to manage and care for that animal.

**** A motion was made by Councilman Schmidlein, seconded by Councilwoman Simons, to authorize Elko Police Department to transfer ownership of K9 *Niels* to Officer Jason Checketts in exchange for the adoption fee paid for by the City Council Members of \$85.00.**

The motion passed unanimously. (5-0)

- F. Review, consideration, and possible final project acceptance and assessment of liquidated damages for the Elko Police Station, and matters related thereto. **FOR POSSIBLE ACTION**

At the February 25, 2015 Council meeting, the project for the construction of the City of Elko Police Station was awarded to MGM Construction in the amount of \$5, 377,979. During construction a total of nine (9) change orders were approved totaling \$260, 949.29, approximately 4.8% of the base bid, bringing the total project cost to \$5,638,928.29. Substantial completion for the project was issued on June 13, 2016, fourteen (14) days after the contract substantial completion of May 30, 2016. Per the contract with MGM Construction the project liquidated damages are assessed at a rate of \$500 per day, for a total of \$7,000. The final punch list was completed and incomplete set of as-builts and record drawing were provided to the City of Elko on November 7, 2017. JD

Mayor Johnson stated he had a conflict of interest because of his business affiliation with MGM Construction on another project, and he plans to bid future projects with MGM. He turned it over to Mayor Pro Tem Rice.

Jeremy Draper, Development Manager, said Byron Smith from LCA was present. There was a letter/email in the packet from MGM Construction. A memo was sent out today rebutting MGM's comments. He went over the memo (included in the packet).

Councilwoman Simons asked Mr. Stanton if number two did constitute a de facto occupancy.

Dave Stanton, City Attorney, said moving furniture into a building does not define a substantial completion. He wasn't involved in contract administration and he is getting his information from those that were. It sounds like they are trying to key substantial completion to the date we started moving property into the facility. That doesn't equate to substantial completion.

Councilwoman Simons asked about holding up a valid draw request. Was there a time stipulated in which we could?

Mr. Draper said typically our contracts are 30 to 45 days.

Councilwoman Simons asked about No. 4, the amount of retention was contrary to NRS 338.530, but then Mr. Draper cited NRS 338.525. What does 530 say?

Mr. Draper answered 530 deals with the payment of interest on amounts withheld improperly. If we hold retention over 30 days improperly we pay interest on it. NRS 338.525 deals with the process for holding that retainage for reasons. Part of those reasons were that we had a large punch list that needed to be completed. We do have to notify the contractor of those reasons and we did that in writing and through weekly meetings with them.

Councilman Schmidtlein asked when the city made use of the property.

Mr. Draper answered it was his understanding that we did that on June 5, 2016. We started moving furniture in two to three weeks prior to that. He references a letter dated April 11, 2016 where we laid out the items that needed to be completed for substantial completion. Those included the use of the main building, the use of the accessory building and the security fence being completed. The security fence held them up. Once the security fence was completed we issued a notice of substantial completion for June 13th.

Councilman Schmidtlein asked how many days are allowed on a punch list. Some projects are 30 days and some are 60 days. It has been over a year?

Mr. Draper answered if you go through the technical specifications that we identified in this memo, they were supposed to have all of those documents that we just got last month, to us prior to us asking an inspection for that substantial completion and to develop that punch list. Byron had several conversations with them and we went round and round with them trying to get that punch list done and get the documents in hand. Those didn't get to us until November 6th of this year, almost 18 months after we took occupancy.

Scott Wilkinson, Assistant City Manager, said we can characterize MGM towards the end of the project as non-responsive. Some of the points made today were not brought to our attention at the time. Supposedly when we didn't process a payment in a timely manner, that wasn't communicated as being an issue to the City of Elko until this item was on the agenda.

Councilman Keener said the liquidated damages are .0012% of the project cost. It is a miniscule amount and 18 months after the fact. The liquidated damages are put in a contract to motivate the contractor to get the job done in a timely manner. It is important that we enforce those.

Mayor Pro Tem Rice asked if anyone from MGM was present. (no)

Mr. Draper said he didn't get an indication that they would be present but he did send them a copy of this memo as soon as he sent it out to the Council Members.

Councilman Schmidtlein said we need to support the design team. There were a lot of hurdles and weather. We did grant them an additional 123 working days gave them suitable time. He agreed that they were non-responsive.

**** A motion was made by Councilwoman Simons, seconded by Councilman Keener, to provide final acceptance of the Elko Police Station Project and assess MGM Construction with 14 days of liquidated damages totally \$7,000.**

The motion passed. (4-0 Mayor Johnson abstained.)

- G. Review, consideration, and possible authorization to solicit bids for the WRF Fill Station Project, and matters related thereto. **FOR POSSIBLE ACTION**

This project is budgeted in the current fiscal year budget. The project would consist of a reuse water fill station with card reader system and would be located on vacant property adjacent to the WRF.

Attached as backup is letter from NDEP dated June 27, 2016 recommending this project. RL

Ryan Limberg, Utilities Director, said Lana Carter, our design engineer was present. So was the WRF superintendent, Mike Haddenham. There are three drivers on this project and they all tie to regulations. The first regulation is the WRF discharge permit. The second is the Class B water regulations. The third would be the city's storm water permit regulations. We are trying to control public access, restrict human contact, no release off the property and no release/runoff of that water to the storm drain system. If we take the card reader assembly from the project we can reduce the costs. There are some other things we can do to reduce the costs but we wanted to create something that will last a long time and have some efficiencies for finance and other things.

Councilman Schmidtlein asked how much usage is done by contractors around town.

Mike Haddenham, WRF Superintendent, answered it was close to three million gallons.

Councilman Schmidlein had an issue with the card reader. We have to dispose of this anyhow. We are doing anything we can to distribute it on the golf course and the new sports complex. We should be giving it away for free.

Councilman Keener thought that was a great point. If we offered it for free maybe there would be more demand for it and there would be less that would end up in the perk pond. He would be in favor of doing away with the card reader system all together.

Mr. Haddenham clarified that the card reader isn't just the computer, it is the complete fill system. It includes the plumbing, the fill pipe, the winter encasement to keep it from freezing in the winter months, and stuff like that.

Councilwoman Simons noted we can't eliminate the full \$50,000 or else we wouldn't have a fill pump. What portion is just the card reader?

Mr. Limberg said if you look at the last line item, there is a fill station for \$50,000. While part of that would still stay in there is also other parts in these costs above that would come out. As far as the value of reuse water, you see that increasing each year throughout communities. The demand for that is growing. When we have the most water is the winter time when nobody needs it. We want to use it all up and we don't want to be over committed.

Councilman Rice felt this water is an asset and we should be cautious giving away assets when they are part of an enterprise fund.

Mr. Limberg said the potable water is \$1.50 a thousand gallons and the reuse water is \$0.40 a 1000 gallons. Staff will be fine with whatever council decides.

Councilman Schmidlein asked irrigating at the sports complex, if the drainage heads towards the river will we have fines?

Mr. Limberg answered if it heads to the river there is no issue. If it goes into the river it is a big issue. We have a WRF Operating Permit that contains terms and conditions. There are several outfalls listed, locations where we can use that water. To get those locations listed we also have to have an effluent management plan for each of those locations. One of the locations we will have that plan for is the Sports Complex. We will have that by the time the water goes there. There are terms and conditions on the effluent management plans. Many of those terms and conditions are those that he has previously mentioned such as public access and human contact. When those things do occur, and they inevitably do, it is a violation of our permit and we have to submit data to the NDEP explaining why that happened.

Councilman Rice felt this was a good long-term plan that takes into account costs that will be incurred if we don't do this. The project will pay for itself in the long run. Effluent water is an asset that the city controls and we need to be cautious giving it away. These things cost money and part of it is driven by new regulations from the state.

Curtis Calder, City Manager, said the effluent sales over the last two years has been under \$25,000. We are not talking about a lot of money.

Mr. Limberg cautioned council. It isn't about the money coming in, it is about what we are saving by not putting in more ribs or wells. It is an important feature to have. It may not make a lot of money but it can potentially save a lot of money.

Mayor Johnson said to move ahead with the project but forget about the reader.

**** A motion was made by Mayor Johnson, seconded by Councilwoman Simons, to direct staff to solicit bids for the WRF Fill Station less the scope of work of the electronic reader that the City of Elko would not bill for effluent water.**

The motion passed. (4-1 Councilman Schmidlein voted no.)

- H. Review, consideration, and possible final acceptance for the demolition of the former Elko Police Station, and matters related thereto. **FOR POSSIBLE ACTION**

At the October 10, 2017 Council meeting, Council awarded a contract to Q&D Construction for the demolition of the former Elko Police Station. All work has been completed, there were no change orders on the project, and Staff recommends final acceptance. JD

Jeremy Draper, Development Manager, explained the project is complete. The value is listed in the agenda. The total cost to demo this, including asbestos abatement, was \$241,000.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, for final acceptance of the Demolition of the Former Elko Police Station Project.**

The motion passed unanimously. (5-0)

III. NEW BUSINESS

- A. Review and consideration of submitted data and/or arguments as to whether the proposed increase in zoning application fees will impose a direct and significant burden upon a business or directly restrict the formation, operation, or expansion of a business, and matters related thereto. **FOR POSSIBLE ACTION**

Pursuant to NRS 237.080, the City of Elko notified trade associations or owners and officers of businesses which may be affected by increased zoning application fees. Responses were due to the City by 5:00 pm on Friday, December 1st. No responses were received. After making a determination regarding the proposed rule, Staff will prepare a business impact statement which will be considered during a subsequent public hearing. SO

Shanell Owen, City Clerk, explained a copy of the proposed rule notification was included in the packet. We mailed out 415 notices on November 3rd. The deadline to submit comments was December 1st. The notice was published in the Elko Daily Free Press on November 3rd and posted on the City of Elko website on November 3rd. The notice was also posted at City Hall. There were no comments received. If Council would like to proceed with the fee increases then

the action would be to declare that the fees proposed will not impose a direct and significant burden upon a business or directly restrict the formation, operation or expansion of a business.

**** A motion was made by Councilman Keener, seconded by Councilman Rice, to advise the Clerk's Office to move forward with an increase in Zoning Application Fees and the findings are that this will not impose a direct and significant burden upon a business or directly restrict the formation, operation or expansion of a business.**

The motion passed unanimously. (5-0)

- B. Review and possible approval of an agreement Carter Engineering, LLC, to Adopt-a-Street for litter collection in the public right-of-way on Cedar Street from D Street to 6th Street, and matters related thereto. **FOR POSSIBLE ACTION**

Carter Engineering, LLC, is interested in volunteering for the Adopt-a-Street program. Cedar Street from D Street to 6th Street is currently available for adoption. DS

Dennis Strickland, Public Works Director, explained Ms. Carter was present. She has been gracious enough to volunteer her services to clean that area.

**** A motion was made by Councilman Schmidtlein, seconded by Councilman Rice, to approve the agreement with Carter Engineering, LLC to Adopt-a-Street for litter collection in the public right-of-way on Cedar Street from D Street to 6th Street.**

The motion passed unanimously. (5-0)

- C. Review, consideration, and possible approval of Map of Reversion to Acreage No. 1-17, filed by Idaho Street Properties, LLC, for the purpose of reverting to acreage Parcel 2 as shown on the Parcel Map File No. 684789 and Lot 1B as shown on Parcel Map File No. 606122, identified as APN 001-564-034 & 001-564-043, located generally south of the intersection of Ruby Vista Drive, and Doerr Drive, and matters related thereto. **FOR POSSIBLE ACTION**

Cathy Laughlin, City Planner, explained we had an application for a rezone for these properties. We did approve a rezone for both to be Industrial Commercial. At that time the developer was thinking of using the property that is closest to the new hotel and now they plan to make a larger facility that will spread over the property line. It would be a requirement of ours that they remove that interior property line and make that into one parcel instead of two.

**** A motion was made by Councilman Schmidtlein, seconded by Councilman Keener, to conditionally approve Map of Reversion to Acreage No. 1-17, with conditions listed in the Planning Department's memo.**

The motion passed unanimously. (5-0)

- D. Review, consideration, and discussion for the appointment of one (1) new member to the Parks and Recreation Advisory Board, and matters related thereto. **FOR POSSIBLE ACTION**

City Council authorized Staff to advertise for an open position on the Parks and Recreation Advisory Board at a previous meeting in early 2017. Since then, Staff received one letter of interest from Andrew Storla expressing a desire to serve as a member on the Board. The appointment will be for a four (4) year term. JW

James Wiley, Parks and Recreation Director, explained we have had a vacancy on this board for most of 2017. He recommended appointing Mr. Storla to a four year term while they try to fill the other vacancy.

Andrew Storla, 711 Bronco Dr., Spring Creek, thanked the council for letting him serve and looks forward to it.

Ryan Limberg, Utilities Director, said Mr. Storla is an employee of the Water Department.

**** A motion was made by Councilman Rice, seconded by Councilman Keener, to recommend approve the nomination and application of Andrew John Storla to serve on the Parks and Recreation Advisory Board.**

The motion passed unanimously. (5-0)

II. APPROPRIATIONS (Cont.)

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

Councilman Schmidlein asked about a Green Day payment. It says repair and replace drainage concrete at PD. Is that the old PD or the new PD?

James Wiley, Parks and Recreation Director, answered this was at the new Police Station. On the rear side of the new building we have downspouts that drain into the landscape. That is an extremely large roof to be shedding water and snow and we have had some issues with ponding of water right up against the backside of the building. Our answer to that was to install this drainage system that takes the water from the rear around to the front.

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

The motion passed. (4-0 Councilman Keener abstained.)

- C. Review and possible approval of Great Basin Engineering Warrants, and matters related thereto. **FOR POSSIBLE ACTION**

**** A motion was made by Councilwoman Simons, seconded by Councilman Rice, to approve the Great Basin Engineering warrants.**

The motion passed. (4-0 Councilman Schmidlein abstained.)

- D. Review and possible approval of Chester Plumbing and Heating, and matters related thereto. **FOR POSSIBLE ACTION**

**** A motion was made by Councilwoman Simons, seconded by Councilman Keener, to approve the Chester Plumbing and Heating warrants.**

The motion passed. (4-0 Mayor Johnson abstained.)

IV. REPORTS

A. Mayor and City Council

Councilman Keener thanked councilmembers and the Mayor for participating in the broadband meetings that were held this past Wednesday and Thursday. He thinks we will see some positive changes.

Mayor Johnson reported on the lighting of the tower and the positive things people have said to him about it.

Councilman Rice thanked the City Manager for putting together a nice Christmas Party.

B. City Manager

Dr. Jack Walther passed away recently. His obituary will probably be in the paper soon. We will be sending flowers on the City Council's behalf. We are sad to see him go but he left a lasting impression on the Animal Shelter.

C. Assistant City Manager

Scott Wilkinson said James Wiley, Bob Thibault and he have been working with MGB+A to put together a base bid for the Sports Complex project.

D. Utilities Director

Ryan Limberg said nicely done to Council and the staff involved on the tower.

E. Public Works

Dennis Strickland reported on the leaf collection this year.

F. Airport Manager

James Foster reported on the FAA inspection.

G. City Attorney

H. Fire Chief

I. Police Chief

Ty Trouten thanked Council for helping Officer Checketts with the K9 adoption. He reported on the local doctor issue.

J. City Clerk

K. City Planner

L. Development Manager

Jeremy Draper thanked council for a great centennial year. It has been a fun year. There was a good turnout for the tower event last weekend.

M. Administrative Services Director

N. Parks and Recreation Director

O. Civil Engineer

P. Building Official

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. **ACTION WILL NOT BE TAKEN**

There were no public comments.

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

Mayor Chris Johnson

Shanell Owen, City Clerk

**Elko City Council
Agenda Action Sheet**

1. Title: **Presentation and possible approval of the Consolidated Annual Financial Report and Audit for the City of Elko for the Fiscal Year ending June 30, 2017, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **PRESENTATION**
4. Time Required: **30 Minutes**
5. Background Information: **Mike Spilker with Hinton Burdick CPAs will be in attendance to present the City of Elko's Fiscal Year 2016/2017 Financial Report. JJ**
6. Budget Information:
 Appropriation Required: **N/A**
 Budget amount available: **N/A**
 Fund name: **N/A**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **Fiscal Year 2016/2017 Annual Audit Report, Communication charged to governance, Findings & Recommendations.**
9. Recommended Motion: **Approve the City of Elko's Fiscal Year 2016/2017 Annual Audit as presented.**
10. Prepared By: **Jonnye Jund, Administrative Services Director**
11. Committee/Other Agency Review:
12. Council Action:
13. Agenda Distribution: **Mike Spilker, Hinton Burdick CPAs and Advisors**
 mspilker@hintonburdick.com

 Jeff Bauer, Hinton Burdick CPAs and Advisors
 jbauer@hintonburdick.com



HINTONBURDICK

CPAs & ADVISORS

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TODD B. FELTNER, CPA
K. MARK FROST, CPA
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MICHAEL K. SPILKER, CPA
KEVIN L. STEPHENS, CPA
MARK E. TICHENOR, CPA
MICHAEL J. TORGERSON, CPA

November 6, 2017

To the Honorable Mayor and City Council
City of Elko
Elko, Nevada

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Elko for the year ended June 30, 2017, and have issued our report thereon dated November 6, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, Government Auditing Standards and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 18, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted that had a significant effect on the financial statements. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of depreciation expense is based on the assigned depreciation lives. We evaluated the key factors and assumptions used to develop the depreciation lives in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of capital contributed by developers is based on the estimated value of the developers' construction costs. We evaluated the key factors and assumptions used to develop the amount of contributed capital in determining that it is reasonable in relation to the financial statements taken as a whole. While the procedures used by management to estimate these costs appear reasonable, there may be differences between the City's estimates and actual costs paid by developers, and these differences may be material.

Management's estimate of the compensated absences accrual is based on current pay rates and accrued vacation and sick pay hours. We evaluated the key factors and assumptions used to develop the compensated absences accrual in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of other postemployment benefit obligations payable is based on an independent actuarial valuation as of April 28, 2015. The key factors and assumptions used to develop the valuation and the accrual appear reasonable in relation to the financial statements taken as a whole.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, management's estimates have been determined on the same basis as they are reported by the Nevada Public Employee Retirement System (PERS). The City's net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Allocations between governmental and business-type activities are based on the pro-rata share of pension contributions. The key factors and assumptions used to develop the valuation and the accrual appear reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 6, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis (MD&A), Budgetary Comparison Schedules, pension-related schedules and the Schedule of Funding Progress for other postemployment benefit which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information including the combining statements, individual nonmajor fund and enterprise fund budgetary comparison schedules, statistical section, and schedule of fees imposed subject to the provision of NRS 354.5989, as listed in the table of contents, which accompanies the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Statistical Information, which accompanies the financial statements but is not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of City Council and management of City of Elko and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Hinton Burdick, PLLC". The signature is written in a cursive, flowing style.

HintonBurdick, PLLC



**Findings and Recommendations
For the Fiscal Year Ended June 30, 2017**

The Honorable Mayor and City Council
City of Elko, Nevada

Professional standards require that we communicate, in writing; deficiencies in internal control over financial reporting that are considered significant deficiencies or material weaknesses that are identified during the audit of the financial statements. During our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies; however, we did note one compliance findings for the fiscal year ended June 30, 2017.

INTERNAL CONTROL OVER FINANCIAL REPORTING:

Material Weaknesses:

None noted.

Significant Deficiencies:

None noted.

Compliance/Other:

2017-001 Interest of member of governing body

Criteria: The requirements NRS 332.800 state: "A member of the governing body may not be interested, directly or indirectly, in any contract entered into by the governing body, but the governing body may purchase supplies, not to exceed \$1,500 in the aggregate in any 1 calendar month, from a member of such governing body when not to do so would be of great inconvenience due to a lack of any other local source."

Condition: We noted that the City made a payment to a business which is directly owned by one of the City Councilmembers for \$3,103. We also noted that the City identified the billing error before payment was made and contacted the parties involved to resolve the situation.

Cause: It appears that the City did not follow established procedures to ensure compliance with NRS 332.800. Apparently the councilmembers business is a subcontractor for a major supplier of the City. During a project, the materials used were paid for by the councilmembers business instead of allowing the City to purchase them directly. Thus, the \$3,103 payment was a reimbursement for those materials purchased and an invoice was submitted to the city for payment from the Councilmembers business and the City paid the invoice.

Effect: The City was not in compliance with NRS 332.800.

Recommendation: We recommend the City follow established procedures to ensure compliance with NRS 332.800 and review transactions for direct or indirect conflicts prior to payment.

It has been a pleasure to be of service to the City this past year. We would like to express special thanks to the City staff that assisted us so efficiently in this year's audit. We invite you to ask questions of us throughout the year as you feel it necessary and we look forward to a continued pleasant professional relationship.

Sincerely,

A handwritten signature in black ink that reads "Hinton Burdick, PLLC". The signature is written in a cursive, flowing style.

HintonBurdick, PLLC
November 6, 2017

City of Elko, Nevada

FINANCIAL STATEMENTS

**FISCAL YEAR ENDED
JUNE 30, 2017**



The Heart of Northeast Nevada

CITY OF ELKO, NEVADA

Table of Contents

	Page
FINANCIAL SECTION	
Independent Auditors' Report.....	1
Management's Discussion and Analysis.....	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	17
Statement of Activities.....	18
Fund Financial Statements:	
Balance Sheet – Governmental Funds	20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	21
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Statement of Net Position – Proprietary Funds.....	24
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	25
Statement of Cash Flows – Proprietary Funds.....	26
Notes to the Financial Statements.....	27
Required Supplementary Information:	
Schedule of the Proportionate Share of the Net Pension Liability.....	60
Schedule of Contributions.....	61
Schedule of Funding Progress – Other Post Employment Benefit Plans.....	62
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget (Budgetary Basis) and Actual – General Fund	64
Reconciliation of the General Fund (Budgetary Basis) to the Schedule of Revenues, Expenditures, and Changes in Fund Balances General Fund (GAAP Basis)	69
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - Recreation Special Revenue Fund	70
Notes to Required Supplementary Information	71

CITY OF ELKO, NEVADA

Table of Contents (Continued)

Supplementary Information:

Combining and Individual Fund Statements and Schedules:

Combining Balance Sheet – Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis).....	75
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – Revenue Stabilization Fund	76
Combining Balance Sheet – Nonmajor Governmental Funds	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	80

Schedules of Revenues, Expenditures, and Changes in Fund

Balances – Budget and Actual – Nonmajor Governmental Funds:

Youth Recreation – Special Revenue Fund	82
Municipal Court Administration Assessment – Special Revenue Fund	83
Narcotics Task Force – Special Revenue Fund	84
Elko Redevelopment Agency – Special Revenue Fund.....	85
Debt Service Fund	86
Capital Construction – Capital Projects Fund.....	87
Ad Valorem – Capital Projects Fund	88
Public Improvement Development -- Capital Projects Fund	89
Capital Equipment Reserve – Capital Projects Fund	90
Facility Reserve Fund	91

Schedules of Revenues, Expenses, and Changes in Net

Position – Budget and Actual – Major Enterprise Funds:

Water Utility – Enterprise Fund.....	93
Sewer Utility – Enterprise Fund	94
Airport – Enterprise Fund	95
Landfill – Enterprise Fund	96
Golf – Enterprise Fund	97

Schedule of Revenues, Expenses and Change in Net Position – Health

Insurance Fund.....	99
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CITY OF ELKO, NEVADA

Table of Contents (Continued)

STATISTICAL SECTION:

Schedule of Revenues and Related Capital Expenditures – Cash Basis	103
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance – General Fund – Budgetary Basis	104
Assessed Valuation – Secured and Unsecured Property	106
Countywide Secured Tax Levies, Collection and Delinquencies	107
Ten Largest Property Owners	108
Statewide Average and Overlapping Tax Rates	109
Statutory Debt Limitation	110
Outstanding Bonded Indebtedness	111
Annual General Obligation Debt Service Requirements	112
Total and Unfunded Accrued Liabilities	114

COMPLIANCE SECTION:

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters	117
Independent Auditors' Report on Compliance Applicable to Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance and the Passenger Facility Charge Audit Guide for Public Agencies	119
Summary of Auditors' Results	121
Financial Statement Findings	122
Federal Award Findings and Questioned Costs	122
Passenger Facility Program Findings and Questioned Costs	122
Summary of Prior Year Findings and Questioned Costs	122
Schedule of Expenditures of Federal Awards	123
Notes to the Schedule of Expenditures of Federal Awards	124
Schedule of Expenditures of Passenger Facility Charges	125
Independent Auditors' Report on Compliance with State Fiscal Laws	127
Schedule of Fees Imposed Subject to the Provisions of NRS 354.5989 Limitation of Fees for Business Licenses	129

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FINANCIAL SECTION

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MEMBERS:

CHAD B. ATKINSON, CPA
KRIS J. BRAUNBERGER, CPA
ROBERT S. COX, CPA
TODD B. FELTNER, CPA
K. MARK FROST, CPA
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MICHAEL K. SPILKER, CPA
KEVIN L. STEPHENS, CPA
MARK E. TICHENOR, CPA
MICHAEL J. TORGERSON, CPA

Independent Auditors' Report

The Honorable Mayor and City Council
City of Elko, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Elko, Nevada, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Elko, as of June 30, 2017, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the proportionate share of the net pension liability, the schedule of contributions, the schedule of funding progress-other postemployment benefit plans, and the budgetary comparison and reconciliation information and related notes, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Elko's basic financial statements. The combining statements and individual nonmajor fund and enterprise fund budgetary comparison schedules, statistical section, and schedule of fees imposed subject to the provision of NRS 354.5989 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, and is also not a required part of the financial statements. The combining statements and individual nonmajor fund and enterprise fund budgetary comparison schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements, individual nonmajor fund and enterprise fund budgetary comparison schedules, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The statistical section and the schedule of fees imposed subject to the provision of NRS 354.6989 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

HintonBurdick, PLLC



St. George, Utah
November 6, 2017

City of Elko
Management's Discussion and Analysis
June 30, 2017

The following management's discussion and analysis (MD & A) is presented to provide the reader with an overview of the financial activity and overall financial condition of the City of Elko (the City).

The MD&A is a component of Required Supplementary Information and introduces the basic financial statements and provides an analytical overview of the City's financial activities.

Overview of the Financial Statements

The City's basic financial statements include the following elements:

Government-wide Financial Statements

Government-wide financial statements provide both long-term and short-term information about the City's overall financial condition. Changes in the City's financial position may be measured over time by increases and decreases in the Statement of Net Position. Information on how the City's net position changed during the fiscal year is presented in the Statement of Activities.

Fund Financial Statements

Fund financial statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide financial statements. Fund financial statements include the statements for governmental, proprietary, and fiduciary funds.

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements.

Refer to Note 1 to the financial statements for more detailed information on the elements of the financial statements. Table 1 below summarizes the major features of the basic financial statements.

Table 1: Major Features of the Basic Financial Statements

	Government-Wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except Fiduciary Funds)	Activities of the City that are not proprietary or fiduciary	Activities of the City that are operated similar to private businesses	Instances in which the City is the trustee agent for someone else's resources
Required Financial Statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Net Position Statement of Cash Flows	Statement of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting No measurement focus

City of Elko
Management's Discussion and Analysis
June 30, 2017

	Government-Wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long- term
Type of Inflow/Outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year. Expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	Results of operations are not measured

City of Elko
Management's Discussion and Analysis
June 30, 2017

Condensed Statement of Net Position

The largest component, \$111,177,626, of the City's net position reflects its investment in capital assets (i.e. land, infrastructure, buildings, equipment, and others), less any related debt outstanding that was needed to acquire or construct the assets. The City uses these capital assets to provide services to the citizens and businesses in the City; consequently, these capital assets are not available for future spending. Restricted net position is the next component, totaling \$9,285,747. Restricted net position represents resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. Unrestricted net position totals \$9,816,629 and is available for the City's operations.

Table 2 below presents the City's condensed statement of net position as of June 30, 2017 with comparisons for June 30, 2016. These are derived from the government-wide statement of net position.

Table 2: Condensed Statement of Net Position
As of June 30, 2017 and 2016

	Government Activities		Business-type Activities		Total Government	
	2017	2016	2017	2016	2017	2016
Current and other asset	\$ 21,738,161	\$ 22,252,480	\$ 27,885,453	\$ 26,903,202	\$ 49,623,614	\$ 49,155,682
Capital assets	46,677,507	48,469,598	85,575,018	83,053,619	132,252,525	131,523,217
Total assets	68,415,668	70,722,078	113,460,471	109,956,821	181,876,139	180,678,899
Deferred outflows of resources	5,332,506	3,247,934	1,370,159	831,873	6,702,665	4,079,807
Current and other liabilities	4,091,833	3,401,486	1,348,322	1,902,762	5,440,155	5,304,248
Long-term liabilities	41,985,970	42,083,294	8,608,439	8,429,301	50,594,409	50,512,595
Total liabilities	46,077,803	45,484,780	9,956,761	10,332,063	56,034,564	55,816,843
Deferred inflows of resources	1,801,382	2,444,443	462,856	626,079	2,264,238	3,070,522
Net position						
Net investment in capital assets	28,113,936	28,804,151	83,063,690	80,351,066	111,177,626	109,155,217
Restricted	9,060,808	9,847,450	224,939	176,248	9,285,747	10,023,698
Unrestricted	(11,305,755)	(12,610,812)	21,122,384	19,303,238	9,816,629	6,692,426
Total net position	<u>\$ 25,868,989</u>	<u>\$ 26,040,789</u>	<u>\$104,411,013</u>	<u>\$ 99,830,552</u>	<u>\$ 130,280,002</u>	<u>\$ 125,871,341</u>

Overall Analysis

Financial highlights for the City, as a whole, during the fiscal year ended June 30, 2017, include the following:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources (net position) at the close of the fiscal year by \$25.8 million for governmental activities and by \$104.4 million for business-type activities.
- The City's total net position increased during the year by \$4,408,661 or by 3.5 percent. Net position of governmental activities decreased by \$171,800 or by 0.67 percent, while net assets of business-type activities increased by \$4,580,461 or by 4.6 percent.

City of Elko
Management's Discussion and Analysis
June 30, 2017

Condensed Statement of Activities

Table 3 presents the City's condensed statement of activities for the fiscal year ended June 30, 2017, with comparisons for June 30, 2016, as derived from the government-wide Statement of Activities.

Table 3: Condensed Statement of Activities
For Fiscal Years Ended June 30, 2017 and 2016

	Governmental Activities		Business-Type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for Services	\$2,020,424	\$2,173,011	\$13,155,927	\$12,554,105	\$15,176,351	\$14,727,116
Operating Grants and Contributions	341,270	255,350	-	-	\$0	\$0
Capital Grants and Contributions	368,492	595,076	4,279,271	8,150,358	\$341,270	\$255,350
General Revenues:					\$4,647,763	\$8,745,434
Ad Valorem Taxes	5,096,380	4,795,350	-	-		
Consolidated Taxes	13,057,838	13,193,107	-	-	\$5,096,380	\$4,795,350
Motor Vehicle Fuel Taxes	1,186,204	1,195,078	-	-	\$13,057,838	\$13,193,107
Room Taxes	3,607,717	3,472,448	-	-	\$1,186,204	\$1,195,078
Other Taxes	116,282	116,660	-	-	\$3,607,717	\$3,472,448
Gaming Licenses	104,354	109,051	-	-	\$116,282	\$116,660
Franchise Fees	806,375	853,766	-	-	\$104,354	\$109,051
Miscellaneous Revenues	3,100	18,851	-	-	\$806,375	\$853,766
Gain (loss) on Sale of Assets	106,947	-	(169,209)	(183,789)	\$3,100	\$18,851
Interest Income	112,851	63,431	147,867	90,287	(\$62,262)	(\$183,789)
Total Revenues	26,928,234	26,841,179	17,413,856	20,610,961	\$260,718	\$153,718
Expenses:						
General government	2,352,443	1,984,492	-	-		
Judicial	311,799	313,302	-	-	2,352,443	1,984,492
Public safety	10,595,010	10,203,279	-	-	311,799	313,302
Public works	5,925,232	5,521,001	-	-	10,595,010	10,203,279
Health and sanitation	704,116	677,439	-	-	5,925,232	5,521,001
Culture and recreation	6,027,580	3,456,505	-	-	704,116	677,439
Community support	96,435	96,479	-	-	6,027,580	3,456,505
Interest on long-term debt	577,365	532,413	-	-	96,435	96,479
Water	-	-	3,550,580	3,370,941	577,365	532,413
Sewer	-	-	4,164,327	4,375,283	3,550,580	3,370,941
Landfill	-	-	1,674,231	1,557,394	4,164,327	4,375,283
Airport	-	-	3,349,722	3,405,566	1,674,231	1,557,394
Golf	-	-	604,587	730,078	3,349,722	3,405,566
Total Expenses	26,589,980	22,784,910	13,343,447	13,439,262	604,587	730,078
Increase(decrease) in net assets before transfers	338,254	4,056,269	4,070,409	7,171,699	4,408,663	11,227,968
Special Item	-	-	-	-	-	-
Transfers	(510,054)	74,342	510,054	(74,342)	-	-
Change in net position	(171,800)	4,130,611	4,580,463	7,097,357	4,408,663	11,227,968
Beginning net position	26,040,789	22,219,316	99,830,550	92,424,055	125,871,339	114,643,371
Prior period adjustment	-	(309,138)	-	309,138	-	-
Ending net position	\$25,868,989	\$26,040,789	\$104,411,013	\$99,830,550	\$130,280,002	\$125,871,339

City of Elko
Management's Discussion and Analysis
June 30, 2017

Condensed Statement of Activities (continued)

Over time, increases and decreases in net position measure whether the City's financial position is improving or deteriorating. Overall the City's total net position increased by \$4,408,661 or 3.5 percent. The net position of the governmental activities decreased by \$171,800 or by 0.7 percent, and the net position of the business-type activities increased by \$4,580,461 or by 4.6 percent. The following is a breakdown of the major changes that occurred during fiscal year 2017:

The City's general revenues increased by \$87,055 or 0.3 percent. The increase was a combination of increases in some revenues and decreases in others. Ad valorem taxes increased by \$301,030 or 6.3 percent and charges for services' revenues decreased by \$152,587 or 7 percent. The majority of this was due to a decrease in building permit issuances. Transient lodging taxes increased by \$135,269 or 9.7 percent, mainly due to the opening of new hotels in the City.

The City received a total of \$4,467,763 in grants and capital contributions. The majority of the grant funds received were for the airport and totaled \$4,279,271. The water fund received \$196,010 in connection fees and the sewer fund received \$220,914 in connection fees.

The City's general expenditures were up with an increase of \$3,805,070 or 16.7 percent from the prior year. The majority of this change was in the Recreation fund for \$2,571,075, due to purchases and subsequent transfer of the irrigation system and bond proceed transfer to the Golf Fund. This was significantly below the budgeted amount of \$37,846,668 by \$11,256,688 or 30%. This variance is due in total to timing of projects which were budgeted in 2017 and were not started. The City budgets almost one hundred percent of resources annually to dedicate funds for large projects that are not able to be completed within a current year with current resources.

The City's business-type activities expenditures decreased \$3,269,265 or 0.4% percent due to general operating expenses and capital outlay reductions. Revenues for the business-type activities decreased by 4.8% due to decreased capital contributions from airport grants of \$3,871,087 or 47.5 percent; the water fund experienced a decrease in connection fees of \$268,101 or 58 percent; and the sewer fund had a decrease in connection fees of \$306,755 or 58 percent. In the prior years the City had several large apartment complexes and hotels constructed which generated an abnormally large amount of connection fees for both the water and sewer funds. Airport grant funding varies greatly from year to year based on federal funding as well as the type of projects the airport has in its capital improvement plan.

City of Elko
Management's Discussion and Analysis
June 30, 2017

Program Expenses and Revenues for Governmental Activities

Table 4 presents program expenses and revenues for governmental activities. Overall, program revenues were not sufficient to cover program expenses for governmental activities. The net program expenses of these governmental activities were, therefore, supported by general revenues, mainly taxes.

**Table 4: Program Expenses and Revenues
For Governmental Activities
For the Fiscal Year Ended June 30, 2017 and 2016**

City Programs	Program Expenses	Program Revenues	Net Program Expenses (Revenues) (a) 2017	Net Program Expenses (Revenues) (a) 2016
General Government	\$ 2,352,443	\$ 999,948	\$ 1,352,495	\$ 745,760
Judicial	311,799	124,723	187,076	142,404
Public Safety	10,595,010	309,641	10,285,369	9,834,947
Public Works	5,925,232	634,084	5,291,148	4,776,302
Health	704,116	145,150	558,966	547,780
Culture & Recreation	6,027,580	514,240	5,513,340	3,096,558
Debt Service - interest	577,365	-	577,365	532,413
Community Support	96,435	2,400	94,035	85,309
Totals	\$26,589,980	\$2,730,186	\$23,859,794	\$19,761,473

(a) Net program expenses are mainly supported by taxes.

City of Elko
Management's Discussion and Analysis
June 30, 2017

Program Expenses and Revenues for Business-type Activities

Table 5 presents program expenses and revenues for business-type activities. Program revenues generated from business-type activities were sufficient to cover program expenses.

**Table 5: Program Expenses and Revenues
For Business-type Activities
For the Fiscal Year Ended June 30, 2017 and 2016**

City Programs	Program Expenses	Program Revenues	Net Program Expenses (Revenues) 2017	Net Program Expenses (Revenues) 2016
Water Enterprise	\$ 3,350,580	\$ 3,568,297	\$ (217,717)	\$ (515,708)
Sewer Enterprise	4,164,327	6,093,882	(1,929,555)	(2,044,955)
Landfill Enterprise	1,674,231	1,803,544	(129,313)	(160,478)
Airport Enterprise	3,349,722	2,659,375	690,347	(4,579,755)
Golf Enterprise	604,587	2,663,015 (a)	(2,058,428)	35,695
Totals	<u>\$13,143,447</u>	<u>\$16,788,113</u>	<u>\$ (3,644,666)</u>	<u>\$ (7,265,201)</u>

(a) Contributed Proceeds/Capital from Bond Proceeds for Golf Course Irrigation Project.

City of Elko
Management's Discussion and Analysis
June 30, 2017

Fund Analysis

Funds that experienced significant changes during the year are as follows:

Governmental Funds

At the close of the fiscal year ending June 30, 2017, the City's governmental funds reported a combined ending fund balance of \$18,506,307, with \$1,784,517 reported as unassigned fund balance, \$2,703,609 reported as assigned for the next year's budget shortfall, \$8,287,672 reported as restricted, \$5,718,410 reported as committed, and the remaining amount of \$12,099 as non-spendable. See Note 1 to the financial statements for an explanation of the different types of fund balance categories.

Major Funds:

General Fund

Fund balance at June 30, 2017, totaled \$6,285,445, which includes \$1,785,220 from the revenue stabilization fund. This represents an increase of \$232,786 for the general fund or 3.8 percent and an increase of \$38,320 or 2.2 percent for the revenue stabilization fund during the fiscal year. The increase is mainly due to property taxes coming in higher than the prior year in the amount of \$301,030. There was an increase in overall expenditures of \$657,840 or 3.6 percent. There was a \$163,424 transfer to the airport fund to pay for administrative and ARFF fire services as well as AIP grant matches for the Elko Regional Airport. There was also an annual transfer of excess fund balance to the following in compliance with City Code: revenue stabilization fund- \$28,165, facility fund - \$42,248, and capital equipment fund - \$42,248. That brought the total transfers out of the general fund to \$276,085.

Recreation Fund

Fund balance at June 30, 2017, totaled \$7,291,046 of which, \$50,759 is committed for the Recreation Facilities Bond payment for the following year. In addition, \$5,937,414 is restricted for recreation facilities associated with the bond issue. This is a decrease of \$478,657 or 6.2 percent during the fiscal year. Transient lodging tax increased \$135,269 or 3.9 percent mainly due to the construction of new properties within the City. Total expenditures for the fund were \$2,966,278 which included replacement of the swimming pool boiler for \$208,599; \$8,614 for the sports complex design; and \$994,938 for the golf course irrigation upgrade project.

Nonmajor funds:

Ad Valorem Capital Projects Fund

Fund balance at June 30, 2017, totaled \$631,880, which is a increase of \$69,662 or 12.4 percent during the fiscal year. The City had one major project in the Ad Valorem Capital Projects fund for fiscal year 2017 totaling \$486,953 for the Flagview Safe Routes to School sidewalk, curb and gutter project. The project was funded 100% by the City. This fund is used to leverage grant funding for infrastructure projects in the City. The total revenue received from the \$0.05 cent property tax for capital projects was \$293,814.

Capital Equipment Reserve Fund

Fund balance at June 30, 2017, totaled \$1,234,356, which is an increase of \$324,257 or 35.6 percent during the fiscal year. The City uses this fund for all major equipment purchases for governmental funds including fire trucks and police squad cars. The City made multiple purchases from this fund in fiscal year 2016/2017; purchases for general government totaled \$56,392 which were for computer information systems equipment; equipment purchases for public safety departments totaled \$270,047; and equipment purchases for public works departments totaled \$191,397.

Capital Construction Fund

Fund balance at June 30, 2017 totaled \$498,511, which is a decrease of \$507,131 or 50.4 percent. The City had one major project in the Capital Construction fund for fiscal year 2017 which was the Cedar Street Reconstruction Phase I project totaling \$1,343,558. These monies are accumulated over several years until such time there are sufficient resources to fund major street construction or reconstruction projects. The City will be starting the Cedar Street Phase II project in FY 2018 and will continue accumulating funds for the project.

Redevelopment Fund

Fund balance at June 30, 2017 totaled \$931,314 which is an increase of \$302,554 or 48.2 percent. The only expenses was \$24,646; \$8,440 for legal and consulting fees related to redevelopment and \$15,949 for engineering of the Chilton Centennial Tower in the downtown corridor. Total tax revenues for the fund for fiscal year 2017 were \$322,484.

City of Elko
Management's Discussion and Analysis
June 30, 2017

Proprietary Funds

The City's proprietary funds reported net position of \$104,414,013 for fiscal year ending June 30, 2017. Following is a list of the proprietary funds and their respective net position at June 30, 2017 and 2016 with the percentage change.

Fund	June 30, 2017	June 30, 2016	Change	%Change
Water Enterprise	\$23,469,699	\$23,424,356	\$ 45,343	0.2%
Sewer Enterprise	40,985,132	39,098,835	1,886,297	4.8%
Landfill Enterprise	3,130,696	2,991,927	138,769	4.6%
Airport Enterprise	32,952,196	33,177,607	(225,411)	(0.7%)
Golf Enterprise	3,876,290	1,137,827	2,738,463 (a)	240.7%
Total Net Position	<u>\$104,414,013</u>	<u>\$99,830,552</u>	<u>\$4,583,461</u>	<u>4.6%</u>

(a) Contributed Proceeds/Capital from Bond Proceeds for Golf Course Irrigation Project

City of Elko
Management's Discussion and Analysis
June 30, 2017

Capital Asset and Long-term Debt Activity

Capital Asset Activity

At June 30, 2017, the City reported \$46.7 million in capital assets for governmental activities and \$85.6 million in capital assets for business-type activities. Major capital asset additions for the governmental activities were \$128,675, for upgrades to information systems equipment and infrastructure; \$265,187 in public safety vehicles, equipment and facility improvements; \$2,043,204 in public works projects which included the Cedar Street Phase I reconstruction project as well as the Flagview sidewalk, curb and gutter project; and various equipment purchases totaling \$212,693.

Major capital additions for business-type activities for projects included \$219,377 for the Exit 298 water line project; \$225,774 for the water meter pit project and improvements on Cedar Street; as well as \$438,131 for a hydro excavation truck and an additional \$243,623 for various equipment purchases in the water fund. \$1,156,663 for an odor control load out facility; \$385,143 for improvements to Hot Springs Road; \$155,941 for a new sewer line on Ruby Vista Drive; \$132,846 for a sewer slip line project; \$110,359 for primary digester improvements; and \$151,107 for various equipment purchases in the sewer fund. \$523,600 for a new refuse compactor; \$46,240 for fencing; \$33,699 for equipment purchases in the landfill fund. \$111,307 for snow removal equipment; \$323,844 on the airport 10 year master plan update; and \$135,514 on various equipment and small projects in the airport fund; \$1,058,901 for the golf course irrigation project and \$12,000 for cultivation equipment purchases in the golf course fund. Refer to Notes 6 and 11 to the financial statements for additional information on capital assets.

Long-term Debt Activity

Long-term debt outstanding at June 30, 2017, excluding the annual required contribution for other post-employment benefits and the net pension liability, totaled \$22,713,536, a decrease of 5.27 percent when compared to the prior year.

As of June 30, 2017, the City of Elko had a bond rating of AA- from Standard & Poors Rating Services on the Airport Improvement Bonds, Series 2009A and Series 2009B as well as the 2015 Limited Tax Recreational Facilities Bonds and the 2010 Limited Tax Street Bonds.

As of June 30, 2017, the City of Elko had \$20,370,000 of general obligation debt outstanding, which is subject to the legal debt margin. This is well below the legal limit of \$148,509,560 by \$128,139,560. Refer to Note 7 of the financial statements for additional information on long-term debt.

Economic Factors and Next Year's Budget and Rates

The user fees for water users remained unchanged in fiscal year 2017/2018; there has been no change for the last eight years. The last sewer user fee increase was in fiscal year 2012/2013 to help fund minor shortfalls in required resources. During the year, there was a small increase to landfill tonnage fees to offset increased operating and capital costs in the fund. All fees are reviewed annually to determine whether increases are required to properly fund operational expenses as well as capital projects for both replacement and new capital purchases.

The consolidated tax revenues increased \$53,542 or 4.9 percent for fiscal year 2016/2017. In fiscal year 2017/2018 we have seen a slight increase of 1 percent in consolidated tax revenues for the first three months and the revenues are \$261,395 above the budget for the same period. As consolidated tax revenues make up over 65 percent of the general fund revenues, any fluctuations either positive or negative can have significant impacts on the City's ability to provide the required services to its citizens. It is the City's policy to put most of the excess revenues into one time purchases for much needed improvements in capital projects as well as equipment purchases. This puts the City in a much better situation going forward as we don't increase staffing with the increased consolidated tax revenues. We will monitor all economic situations to determine whether any adjustments need to be made in order to keep the City fiscally sound.

All of these factors were considered in preparing the City of Elko's budget for the 2018 fiscal year.

City of Elko
Management's Discussion and Analysis
June 30, 2017

Requests for Information

This financial report is designed to provide a general overview of the financial activity of the City of Elko to all having an interest in the City of Elko. Questions concerning any of the information provided in this report or requests of additional financial information should be addressed to the City of Elko Finance Department, 1751 College Avenue, Elko, Nevada 89801.

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BASIC FINANCIAL STATEMENTS

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CITY OF ELKO, NEVADA
Statement of Net Position
June 30, 2017

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 11,384,119	\$ 26,091,220	\$ 37,475,339
Receivables (net of allowance)	3,723,774	1,490,987	5,214,761
Interest receivable	947	25,019	25,966
Inventories and prepaids	81,462	51,999	133,461
Restricted assets:			
Temporarily restricted:			
Cash and investments	6,547,859	226,228	6,774,087
Capital assets (net of accumulated depreciation):			
Land and water rights	432,912	1,677,189	2,110,101
Buildings	9,332,190	6,644,609	15,976,799
Improvements	6,523,729	39,499,132	46,022,861
Infrastructure	23,369,123	29,477,652	52,846,775
Machinery, equipment, and vehicles	6,344,587	6,677,368	13,021,955
Construction-in-progress	674,966	1,599,068	2,274,034
Total assets	<u>68,415,668</u>	<u>113,460,471</u>	<u>181,876,139</u>
Deferred outflows of resources			
Deferred outflows related to pensions	<u>5,332,506</u>	<u>1,370,159</u>	<u>6,702,665</u>
Liabilities			
Accounts payable and other current liabilities	1,570,519	643,611	2,214,130
Retainage payable	50,001	289,203	339,204
Unearned revenue	218,175	7,503	225,678
Refundable deposits	293,639	40,808	334,447
Accrued interest	132,607	31,670	164,277
Noncurrent liabilities:			
Due within one year	1,826,892	335,527	2,162,419
Due in more than one year	41,985,970	8,608,439	50,594,409
Total liabilities	<u>46,077,803</u>	<u>9,956,761</u>	<u>56,034,564</u>
Deferred inflows of resources			
Deferred inflows related to pensions	<u>1,801,382</u>	<u>462,856</u>	<u>2,264,238</u>
Net position			
Net investment in capital assets	28,113,936	83,063,690	111,177,626
Restricted for:			
Debt service	477,838	185,420	663,258
Capital projects	6,584,889	-	6,584,889
Judicial	109,038	-	109,038
Elko Redevelopment Agency	931,314	-	931,314
Health insurance claims	957,729	-	957,729
Refundable deposits	-	39,519	39,519
Unrestricted	<u>(11,305,755)</u>	<u>21,122,384</u>	<u>9,816,629</u>
Total net position	<u>\$ 25,868,989</u>	<u>\$ 104,411,013</u>	<u>\$ 130,280,002</u>

The accompanying notes are an integral part of the financial statements.

CITY OF ELKO, NEVADA
Statement of Activities
For the Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions
Governmental activities:				
General government	\$ 2,352,443	\$ 633,616	\$ -	\$ 366,332
Judicial	311,799	124,723	-	-
Public safety	10,595,010	173,689	135,952	-
Public works	5,925,232	634,084	-	-
Health	704,116	128,837	16,313	-
Culture and recreation	6,027,580	325,475	186,605	2,160
Community support and development	96,435	-	2,400	-
Interest on long-term debt	577,365	-	-	-
Total governmental activities	<u>26,589,980</u>	<u>2,020,424</u>	<u>341,270</u>	<u>368,492</u>
Business-type activities:				
Water	3,550,580	3,372,287	-	196,010
Sewer	4,164,327	5,872,968	-	220,914
Airport	3,349,722	1,460,043	-	1,199,332
Landfill	1,674,231	1,803,544	-	-
Golf	604,587	647,085	-	2,663,015
Total business-type activities	<u>13,343,447</u>	<u>13,155,927</u>	<u>-</u>	<u>4,279,271</u>
Total primary government	<u>\$ 39,933,427</u>	<u>\$ 15,176,351</u>	<u>\$ 341,270</u>	<u>\$ 4,647,763</u>

General revenues:

Taxes:

Ad valorem taxes

Consolidated tax

Motor vehicle fuel taxes

Room tax

Other

Gaming licenses

Franchise fees

Miscellaneous

Gain (loss) on disposal of capital assets

Unrestricted investment earnings

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (1,352,495)	\$ -	\$ (1,352,495)
(187,076)	-	(187,076)
(10,285,369)	-	(10,285,369)
(5,291,148)	-	(5,291,148)
(558,966)	-	(558,966)
(5,513,340)	-	(5,513,340)
(94,035)	-	(94,035)
(577,365)	-	(577,365)
<u>(23,859,794)</u>	<u>-</u>	<u>(23,859,794)</u>
-	17,717	17,717
-	1,929,555	1,929,555
-	(690,347)	(690,347)
-	129,313	129,313
-	<u>2,705,513</u>	<u>2,705,513</u>
-	<u>4,091,751</u>	<u>4,091,751</u>
5,096,380	-	5,096,380
13,057,838	-	13,057,838
1,186,204	-	1,186,204
3,607,717	-	3,607,717
116,282	-	116,282
104,354	-	104,354
806,375	-	806,375
3,100	-	3,100
106,947	(169,209)	(62,262)
112,851	147,867	260,718
<u>(510,054)</u>	<u>510,054</u>	<u>-</u>
<u>23,687,994</u>	<u>488,712</u>	<u>24,176,706</u>
(171,800)	4,580,463	4,408,663
<u>26,040,789</u>	<u>99,830,550</u>	<u>125,871,339</u>
<u>\$ 25,868,989</u>	<u>\$ 104,411,013</u>	<u>\$ 130,280,002</u>

CITY OF ELKO, NEVADA
Balance Sheet
Governmental Funds
June 30, 2017

		Special Revenue		
	General Fund	Recreation Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	\$ 4,679,473	\$ 1,186,898	\$ 4,522,686	\$ 10,389,057
Receivables:				
Property taxes	43,652	-	31,165	74,817
Room taxes receivable	-	503,935	-	503,935
Interest receivable	4,271	6,796	4,711	15,778
Other	201,519	13,210	329	215,058
Due from other governments	2,519,503	-	392,655	2,912,158
Inventories and prepaids	12,099	-	-	12,099
Restricted cash and investments	-	5,988,173	559,686	6,547,859
Total assets	\$ 7,460,517	\$ 7,699,012	\$ 5,511,232	\$ 20,670,761
Liabilities				
Accounts payable	\$ 548,422	\$ 150,821	\$ 54,404	\$ 753,647
Retainage payable	-	-	50,001	50,001
Accrued liabilities	440,424	-	7,078	447,502
Due to other governments	2,554	257,145	-	259,699
Customer deposits	16,149	-	277,490	293,639
Unearned revenue	123,871	-	94,304	218,175
Total liabilities	1,131,420	407,966	483,277	2,022,663
Deferred inflows of resources				
Unavailable revenue - fuel taxes	-	-	66,974	66,974
Unavailable revenue - property taxes	43,652	-	31,165	74,817
Total deferred inflows of resources	43,652	-	98,139	141,791
Fund balances				
Nonspendable:				
Inventories and prepaids	12,099	-	-	12,099
Restricted for:				
Debt service	-	50,759	559,686	610,445
Judicial	-	-	109,038	109,038
Capital projects	-	5,937,414	647,475	6,584,889
Public Safety	-	-	3,139	3,139
Culture and recreation	-	-	48,847	48,847
Redevelopment Agency	-	-	931,314	931,314
Committed:				
Revenue stabilization	1,785,220	-	-	1,785,220
Debt service	-	-	675,808	675,808
Capital projects	-	1,302,873	1,954,509	3,257,382
Assigned to:				
Next year's budget appropriation	2,703,609	-	-	2,703,609
Unassigned	1,784,517	-	-	1,784,517
Total fund balances	6,285,445	7,291,046	4,929,816	18,506,307
Total liabilities, deferred inflows of resources, and fund balances	\$ 7,460,517	\$ 7,699,012	\$ 5,511,232	\$ 20,670,761

The accompanying notes are an integral part of the financial statements.

CITY OF ELKO, NEVADA
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2017

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - total governmental funds		\$ 18,506,307
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	\$ 76,770,273	
Accumulated depreciation	<u>(30,092,766)</u>	46,677,507
Some liabilities, including bonds payable, and interest payable are not due and payable in the current period and therefore are not reported in the funds.		
Bonds payable	\$ (17,870,000)	
Premium on bonds payable	(693,571)	
Interest payable	(132,607)	
Compensated absences	(1,380,034)	
Other postemployment benefits liability	(2,121,564)	
Net pension liability	<u>(21,747,693)</u>	(43,945,469)
Unavailable revenue associated with property taxes is recognized as revenue in the government-wide statements.		
		141,791
An internal service fund is used by management to charge the costs of the self-funded health insurance program for City employees, dependents and retirees. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
		957,729
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.		
Deferred outflows related to pensions	\$ 5,332,506	
Deferred inflows related to pensions	<u>(1,801,382)</u>	3,531,124
Net position of governmental activities		<u>\$ 25,868,989</u>

The accompanying notes are an integral part of the financial statements.

CITY OF ELKO, NEVADA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2017

		Special Revenue		
	General	Recreation Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 2,990,916	\$ 3,607,717	\$ 2,105,463	\$ 8,704,096
Licenses, permits and fees	1,626,787	-	-	1,626,787
Intergovernmental revenue	13,352,210	-	1,576,403	14,928,613
Charges for services	865,232	-	159,841	1,025,073
Fines and forfeitures	114,464	-	-	114,464
Other revenues	203,489	128,134	145,596	477,219
Investment earnings	24,320	58,223	26,261	108,804
Total revenues	19,177,418	3,794,074	4,013,564	26,985,056
Expenditures				
Current:				
General government	2,255,979	-	5,310	2,261,289
Judicial	321,273	-	-	321,273
Public safety	10,150,217	-	25,670	10,175,887
Public works	4,235,632	-	24,646	4,260,278
Health	693,333	-	-	693,333
Culture and recreation	1,225,183	1,754,392	197,529	3,177,104
Community support and development	99,362	-	-	99,362
Debt service:				
Principal	-	-	1,060,000	1,060,000
Interest	-	-	626,915	626,915
Capital outlay	-	1,211,886	2,511,780	3,723,666
Total expenditures	18,980,979	2,966,278	4,451,850	26,399,107
Excess (deficiency) of revenues over (under) expenditures	196,439	827,796	(438,286)	585,949
Other financing sources (uses)				
Transfers in	312,432	-	760,052	1,072,484
Transfers out	(276,085)	(1,306,453)	-	(1,582,538)
Total other financing sources (uses)	36,347	(1,306,453)	760,052	(510,054)
Net change in fund balances	232,786	(478,657)	321,766	75,895
Fund balances, beginning of year	6,052,659	7,769,703	4,608,050	18,430,412
Fund balances, end of year	\$ 6,285,445	\$ 7,291,046	\$ 4,929,816	\$ 18,506,307

The accompanying notes are an integral part of the financial statements.

CITY OF ELKO, NEVADA
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2017

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	75,895
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the difference between depreciation expense and capital outlay in the current period.

Capital outlay	\$	3,794,149	
Depreciation expense		(2,735,032)	1,059,117

The statement of activities reports losses from capital asset deletions. Conversely, governmental funds do not report any gain or loss on the retirement of capital assets.		(2,851,208)
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		1,060,000
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Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of premium on bonds		41,875
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Accrued interest for long-term debt is not reported as an expenditure for the current period while it is recorded in the statement of activities. This adjustment reflects the change in interest payable.		7,675
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Because some property taxes will not be collected in time to pay for obligations in the current period, they are not considered available revenues in the governmental funds and are instead reported as deferred revenues. These revenues are accounted for as revenue in the statement of activities.		(60,868)
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Internal service funds are used by management to charge the costs of the self-funded health insurance program for City employees, dependents and retirees to individual funds.		599,523
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Pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the statement of net position because the net pension liability is measured a year before the government's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the statement of activities.

Pension contributions	\$	2,728,328	
Pension expense		(2,855,447)	(127,119)

Compensated absences and other postemployment benefit obligation expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This adjustment reflects the change in compensated absences and other postemployment benefit obligations.

		23,310
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Change in net position of governmental activities	\$	(171,800)
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The accompanying notes are an integral part of the financial statements.

CITY OF ELKO, NEVADA
Statement of Net Position
Proprietary Funds
June 30, 2017

	Business-type Activities						Governmental Activities
	Water Fund	Sewer Fund	Airport Fund	Landfill Fund	Golf Fund	Total Enterprise Funds	Internal Service Fund
Assets							
Current assets:							
Cash and investments	\$ 8,018,826	\$ 15,428,877	\$ 742,824	\$ 1,232,752	\$ 667,941	\$ 26,091,220	\$ 995,062
Receivables	340,491	593,729	35,355	230,801	1,391	1,201,767	2,028
Due from other governments	-	-	289,220	-	-	289,220	-
Interest receivable	7,658	14,684	866	1,185	626	25,019	947
Inventory	51,999	-	-	-	-	51,999	-
Prepaid expense	-	-	-	-	-	-	69,363
Total current assets	8,418,974	16,037,290	1,068,265	1,464,738	669,958	27,659,225	1,067,400
Noncurrent assets:							
Restricted cash and investments	39,519	-	185,420	1,289	-	226,228	-
Capital assets:							
Land and water rights	573,740	207,668	884,269	2,467	9,045	1,677,189	-
Buildings	1,665,568	1,791,956	6,120,631	668,955	782,983	11,030,093	-
Improvements	20,299,349	46,853,019	118,341	1,064,624	3,228,933	71,564,266	-
Infrastructure	681,773	-	48,573,657	-	-	49,255,430	-
Machinery, equipment and vehicles	2,617,330	2,960,311	3,561,579	2,999,260	692,865	12,831,345	-
Construction-in-progress	35,684	230,394	1,332,990	-	-	1,599,068	-
Less accumulated depreciation	(9,039,707)	(25,200,372)	(25,203,052)	(1,881,833)	(1,057,409)	(62,382,373)	-
Total noncurrent assets	16,873,256	26,842,976	35,573,835	2,854,762	3,656,417	85,801,246	-
Total assets	25,292,230	42,880,266	36,642,100	4,319,500	4,326,375	113,460,471	1,067,400
Deferred outflows of resources							
Deferred outflows related to pensions	409,533	393,112	201,214	267,436	98,864	1,370,159	-
Liabilities							
Current liabilities:							
Accounts payable	150,211	249,807	40,984	50,152	19,694	510,848	109,671
Retainage payable	-	-	289,203	-	-	289,203	-
Accrued liabilities	43,039	37,032	15,728	25,406	11,558	132,763	-
Refundable deposits	39,519	-	-	1,289	-	40,808	-
Accrued interest	-	-	31,670	-	-	31,670	-
Unearned revenue	-	-	7,503	-	-	7,503	-
Compensated absences	19,020	48,497	13,176	39,817	8,792	129,302	-
Bonds payable - current	-	-	206,225	-	-	206,225	-
Total current liabilities	251,789	335,336	604,489	116,664	40,044	1,348,322	109,671
Noncurrent liabilities:							
Compensated absences	19,019	48,497	13,176	39,818	8,791	129,301	-
Other postemployment benefits obligation	155,703	168,379	79,762	118,723	63,515	586,082	-
Bonds payable	-	-	2,305,103	-	-	2,305,103	-
Net pension liability	1,670,208	1,603,236	820,616	1,090,692	403,201	5,587,953	-
Total noncurrent liabilities	1,844,930	1,820,112	3,218,657	1,249,233	475,507	8,608,439	-
Total liabilities	2,096,719	2,155,448	3,823,146	1,365,897	515,551	9,956,761	109,671
Deferred inflows of resources							
Deferred inflows related to pensions	138,345	132,798	67,972	90,343	33,398	462,856	-
Net position							
Net investment in capital assets	16,833,737	26,842,976	32,877,087	2,853,473	3,656,417	83,063,690	-
Restricted for group health insurance claims	-	-	-	-	-	-	957,729
Restricted for debt service	-	-	185,420	-	-	185,420	-
Restricted for refundable deposits	39,519	-	-	-	-	39,519	-
Unrestricted	6,593,443	14,142,156	(110,311)	277,223	219,873	21,122,384	-
Total net position	\$ 23,466,699	\$ 40,985,132	\$ 32,952,196	\$ 3,130,696	\$ 3,876,290	\$ 104,411,013	\$ 957,729

The accompanying notes are an integral part of the financial statements.

CITY OF ELKO, NEVADA
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2017

	Business-type Activities						Governmental Activities
						Total	Internal
	Water Fund	Sewer Fund	Airport Fund	Landfill Fund	Golf Fund	Enterprise Funds	Service Fund
Operating revenues							
Service fees	\$ 3,268,235	\$ 2,915,762	\$ 242,000	\$ 1,750,667	\$ 641,040	\$ 8,817,704	\$ 2,151,256
Intergovernmental revenue	-	-	19,108	-	-	19,108	-
Other revenues	104,052	20,324	1,198,935	52,877	6,045	1,382,233	-
Total operating revenues	3,372,287	2,936,086	1,460,043	1,803,544	647,085	10,219,045	2,151,256
Operating expenses							
Salaries	829,328	720,947	338,655	522,121	252,579	2,663,630	-
Employee benefits	570,238	366,764	101,008	270,911	52,678	1,361,599	1,555,778
Service, supplies and other	1,608,342	1,749,515	413,853	679,669	235,221	4,686,600	-
Depreciation expense	542,672	1,327,101	2,368,673	201,530	64,109	4,504,085	-
Total operating expenses	3,550,580	4,164,327	3,222,189	1,674,231	604,587	13,215,914	1,555,778
Operating income (loss)	(178,293)	(1,228,241)	(1,762,146)	129,313	42,498	(2,996,869)	595,478
Nonoperating revenues (expenses)							
Sewer improvement fees	-	2,936,882	-	-	-	2,936,882	-
Interest income	47,033	85,316	4,458	7,841	3,219	147,867	4,045
Gain/(loss) on disposals of capital assets	(22,405)	(128,574)	(23,783)	1,615	3,938	(169,209)	-
Interest expense	-	-	(127,533)	-	-	(127,533)	-
Total nonoperating revenues (expenses)	24,628	2,893,624	(146,858)	9,456	7,157	2,788,007	4,045
Income (loss) before grants, contributions and transfers	(153,665)	1,665,383	(1,909,004)	138,769	49,655	(208,862)	599,523
Grant income	-	-	1,199,332	-	-	1,199,332	-
Capital contributions	196,010	220,914	-	-	2,663,015	3,079,939	-
Transfers in	-	-	484,261	-	25,793	510,054	-
Change in net position	42,345	1,886,297	(225,411)	138,769	2,738,463	4,580,463	599,523
Total net position, beginning of year	23,424,354	39,098,835	33,177,607	2,991,927	1,137,827	99,830,550	358,206
Total net position, end of year	\$ 23,466,699	\$ 40,985,132	\$ 32,952,196	\$ 3,130,696	\$ 3,876,290	\$ 104,411,013	\$ 957,729

The accompanying notes are an integral part of the financial statements.

CITY OF ELKO, NEVADA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2017

	Business-type Activities						Governmental Activities
	Water Fund	Sewer Fund	Airport Fund	Landfill Fund	Golf fund	Total Enterprise Funds	Internal Service Fund
Cash flows from operating activities:							
Cash received from customers, service fees	\$ 3,313,496	\$ 2,858,963	\$ 342,018	\$ 1,648,323	\$ 640,832	\$ 8,803,632	\$ 2,150,138
Cash received from customers, capacity fees and other	104,052	20,324	1,218,043	52,877	6,045	1,401,341	-
Cash paid to suppliers	(1,918,414)	(1,599,071)	(798,452)	(695,598)	(233,561)	(5,245,096)	(111,797)
Cash paid to employees	(1,274,809)	(1,068,317)	(511,193)	(764,168)	(383,770)	(4,002,257)	(1,555,778)
Net cash flows from operating activities	224,325	211,899	250,416	241,434	29,546	957,620	482,563
Cash flows from noncapital financing activities:							
Transfer from (to) other funds	-	-	484,261	-	25,793	510,054	-
Cash flows from capital and related financing activities:							
Grant revenue	-	-	1,199,332	-	-	1,199,332	-
Cash received from customer contributions	196,010	220,914	-	-	-	416,924	-
Cash received for capital improvement user fee	-	2,936,882	-	-	-	2,936,882	-
Principal paid on capital debt	-	-	(190,000)	-	-	(190,000)	-
Interest paid on capital debt	-	-	(130,836)	-	-	(130,836)	-
Acquisition and construction of capital assets	(1,232,180)	(2,221,915)	(1,020,153)	(603,539)	(11,392)	(5,089,179)	-
Proceeds from capital asset disposals	3,040	-	546	1,615	3,938	9,139	-
Net cash flows from capital and related financing activities	(1,033,130)	935,881	(141,111)	(601,924)	(7,454)	(847,738)	-
Cash flows from investing activities:							
Interest on investments	43,844	78,119	3,682	7,473	2,747	135,865	3,345
Net change in cash and investments	(764,961)	1,225,899	597,248	(353,017)	50,632	755,801	485,908
Cash and investments, including restricted, beginning of year	8,823,306	14,202,978	330,996	1,587,058	617,309	25,561,647	509,154
Cash and investments, including restricted, end of year	\$ 8,058,345	\$ 15,428,877	\$ 928,244	\$ 1,234,041	\$ 667,941	\$ 26,317,448	\$ 995,062
Reconciliation of operating income to net cash flows from operating activities:							
Operating income (loss)	\$ (178,293)	\$ (1,228,241)	\$ (1,762,146)	\$ 129,313	\$ 42,498	(2,996,869)	\$ 595,478
Adjustments to reconcile operating income (loss) to net cash flows from operating activities							
Depreciation expense	542,672	1,327,101	2,368,673	201,530	64,109	4,504,085	-
Pension expense	333,818	219,329	31,390	155,160	8,851	748,548	-
Pension contributions	(209,534)	(201,132)	(102,949)	(136,831)	(50,583)	(701,029)	-
Changes in operating assets and liabilities:							
(Increase) decrease in receivables	5,742	(56,793)	100,018	(102,425)	(208)	(53,666)	(1,118)
(Increase) decrease in inventories	24,218	-	-	-	-	24,218	-
(Increase) decrease in prepaid expenses	-	-	-	-	-	-	(69,363)
Increase (decrease) in accounts payable	(334,290)	150,444	(384,599)	(15,929)	1,660	(582,714)	(42,434)
Increase (decrease) in accrued liabilities	8,217	4,896	1,666	4,401	(589)	18,591	-
Increase (decrease) in customer deposits	39,519	(6)	-	81	-	39,594	-
Increase (decrease) in other postemployment benefits	(5,507)	(5,955)	(2,821)	(4,199)	(2,246)	(20,728)	-
Increase (decrease) in compensated absences payable	(2,237)	2,256	1,184	10,333	(33,946)	(22,410)	-
Net cash flows from operating activities	\$ 224,325	\$ 211,899	\$ 250,416	\$ 241,434	\$ 29,546	\$ 957,620	\$ 482,563
Noncash investing, capital, and financing activities:							
Acquisition of capital assets with payables	\$ 98,028	\$ 849	\$ 449,485	\$ -	\$ -	\$ 548,362	\$ -
Acquisition of capital assets via contributions	\$ -	\$ -	\$ -	\$ -	\$ 2,663,015	\$ 2,663,015	\$ -

The accompanying notes are an integral part of the financial statements.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 1. Summary of Significant Accounting Policies

The financial statements of the City of Elko, State of Nevada (City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the more significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Reporting entity

The City of Elko, Nevada (City) was incorporated on April 15, 1917. The City is a municipal corporation governed by an elected mayor and four members of a City Council. The accompanying financial statements present all activities of the City and its blended component unit, an entity for which the City is considered to be financially accountable. The blended component unit is, in substance, part of the City's operations, even though it is a separate legal entity. Thus the following blended unit is appropriately presented as a fund of the primary government.

Elko Redevelopment Agency

Although legally separate from the City, the Elko Redevelopment Agency is governed by a Board comprised of the City Council and Mayor.

Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, when applicable, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Basis of presentation – government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 1. Summary of Significant Accounting Policies, Continued

Basis of presentation – fund financial statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental and proprietary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The **Recreation Fund** is a special revenue fund used to account for room tax monies received for the purposes of providing recreation improvements.

The City reports the following major enterprise funds:

The **Water Fund** is used to account for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and billing and collection.

The **Sewer Fund** is used to account for provision of sanitary sewer services for the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and billing and collection.

The **Airport Fund** is used to account for the operation of the Elko Regional Airport. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance and improvement, financing and related debt services, and billing and collection (including collection of passenger facility charges).

The **Landfill Fund** is used to account for the regional landfill and associated costs. All activities necessary to provide services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt.

The **Golf Fund** is used to account for the Elko Municipal Golf Course and associated costs. All activities necessary to provide services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt.

Additionally, the City reports the following fund type:

The **Internal Service Fund** accounts for operations of providing health insurance to City employees, retirees and their dependents on a cost reimbursement basis.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 1. Summary of Significant Accounting Policies, Continued

During the course of operations the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement* focus and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, consolidated taxes (sales taxes, cigarette taxes, government service tax, and liquor taxes), gaming taxes, gasoline taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Licenses and permits, franchise fees, charges for services and fines and forfeits are not susceptible to accrual because

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 1. Summary of Significant Accounting Policies, Continued

generally they are not measurable until received in cash. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary fund and internal service funds are reported using the *economic resources measurement* focus and the *accrual basis of accounting*.

Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

Cash equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Based on the nature of the investment policies, all amounts are available on demand and are, therefore, classified as cash equivalents on the Statement of Cash Flows.

Cash and Investments

Cash balances from all funds are combined and, to the extent practicable, invested by the City administration as permitted by law. Investments are recorded at fair value. The City of Elko invests in the State of Nevada Local Government Investment Pool, which as regulatory oversight from the Board of Finance for the State of Nevada. All interest earned on these investments is recognized in the General Fund, except for amounts credited to certain other funds in accordance with law, contract and City policy.

Investments for the City are reported at fair value (generally based on quoted market prices)

State statutes authorize the City to invest in obligations of the U.S. Treasury; certain farm loan bonds; certain securities issued by Nevada local governments and other state and local governments; certain repurchase agreements; certain bankers acceptances; certain commercial paper; and certain negotiable certificates of deposits and money market mutual funds, as well as the State of Nevada Local Government Investment Pool.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 1. Summary of Significant Accounting Policies, Continued

The following investments are allowed but must not exceed 20% of the total portfolio at the purchase date and 25% of such investments may not be in notes, bonds, or unconditional obligations issued by any one corporation:

- Certain notes, bonds and other unconditional obligations for the payment of money issued by corporations organized and operating in the United States.
- Collateralized mortgage obligations "AAA" rated.
- Asset-backed securities "AAA: rated.

Restricted Assets

Bond covenants require resources be set aside to make future debt payments, these are reported as restricted cash in addition to unexpended bond proceeds.

Receivables

No allowance for accounts receivable has been established since management does not anticipate any material collection loss with respect the balances shown as accounts receivable.

Inventories and prepaid items

Proprietary fund inventories are valued at cost using the first-in/first-out (FIFO) method and consist of supplies and materials. Inventories of governmental funds in the fund financial statements consist of fuel and oil which are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by the City as assets with an individual cost of more than \$5,000 for non-infrastructure assets and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 1. Summary of Significant Accounting Policies, Continued

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Buildings	10 to 100 years
Improvements other than buildings	8 to 100 years
Machinery, equipment and vehicles	3 to 50 years
Infrastructure	15 to 50 years

Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. It is a pension related item reported on the government-wide financial statements. See footnote 10 for more information.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category. The first item arises only under a modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental fund's balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and fuel tax. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item is a pension related item reported on the government-wide financial statements. See footnote 10 for more information.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position of the Public Employees' Retirement System of Nevada (PERS) and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 1. Summary of Significant Accounting Policies, Continued

Net position flow assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last, unless the City Council has provided otherwise in its commitment or assignment actions.

Fund balance policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the City that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Manager is authorized to review and approve amounts assigned to specific purposes by the Director of Administrative Services and approved by the City Manager in accordance with the City's policy. Any funds assigned must be reported to the City Council at their next meeting. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 1. Summary of Significant Accounting Policies, Continued

Revenues and expenditures/expenses

Program revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Indirect costs

Expenses relating to the functional activities include allocated indirect expenses. The City allocates indirect costs of general and administrative departments to the Proprietary Funds, except the Airport Fund, based on five year averages of expenditures and time studies.

Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits.

For governmental funds, amounts of vested or accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported as liabilities in the government-wide statement of net position and as expenses in the government-wide statement of activities. No expenditures are reported for these amounts in the fund financial statements. A liability for compensated absences is reported in the governmental funds, primarily the General Fund, only if they have matured as a result of employee resignations, terminations and retirements.

Vested or accumulated vacation and sick leave in the proprietary fund are recorded as an expense and a liability of that fund as the benefits accrue to the employees and are thus recorded in both the government-wide financial statements and the individual fund financial statements.

Proprietary funds operating and nonoperating revenues and expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 1. Summary of Significant Accounting Policies, Continued

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. Reconciliation of Government-wide and Fund Financial Statements

The governmental fund balance sheet includes a reconciliation between total governmental fund balances and net position of governmental activities as reported in the government-wide statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The details of these differences are reported in the reconciliation on page 21.

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between net changes in fund balances-total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. These differences are the result of converting from the current financial resources measurement focus and modified accrual basis for governmental fund statements to the economic resources measurement focus and full accrual basis used for government-wide statements. The details of these differences are reported in the reconciliation on page 23.

NOTE 3. Stewardship, Compliance and Accountability

Budgets and budgetary accounting

The City of Elko adheres to the Local Government Budget and Finance Act (Act) incorporated within the statutes of the State of Nevada, in which annual budgets are legally adopted for all funds except Agency funds. The Act and City policy include the following procedures to establish the budgetary data, which is reflected in these financial statements:

1. On or before April 15, the City Council files a tentative budget for the fiscal year commencing the following July 1 with the Nevada Department of Taxation
2. Public hearings on the tentative budget are held no sooner than the third Tuesday in May and no later than the last day in May, to obtain taxpayer comments.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 3. Stewardship, Compliance and Accountability, Continued

3. Prior to June 1, at a public hearing, the Council indicates changes, if any, to be made to the tentative budget and adopts a final budget by the favorable vote of a majority of the members of the Council. The final budget must then be forwarded to the Nevada Department of Taxation for final approval.
4. The City may not amend the budget without approval by the City Council. Transfer appropriations between accounts within any function are authorized with the approval of the budget officer and/or the City Council. Any revisions that alter the total appropriations of a function or fund must be approved in advance by the City Council. Formal budgetary integration in the financial records of all funds is employed to enhance management control during the year.
5. Budgets for all fund types are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Appropriations lapse at year end.
6. In accordance with state statute, actual expenditures may not exceed budgeted appropriations of the various governmental functions of the General, Special Revenue, and Capital Project Funds. Per NRS 354.626, expenditures over budgeted appropriations are allowed for bond repayments, medium term obligation repayments, and other long-term contracts expressly authorized by law. The sum of operating and nonoperating expenses in Proprietary Funds also may not exceed combined total appropriations.
7. The above dates may be adjusted as necessary during legislative years.

The budget reflected in the financial statements has been amended from the original budget amounts.

Expenditures over Appropriations

The individual Schedule of Revenues, Expenditures/Expenses and Changes in Fund Balances/Net Position – Budget and Actual reports as listed in the table of contents present all of the funds which incurred an excess of expenditures/expenses over appropriations for the year ended June 30, 2017, if any.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City.

Deficit Fund Balances

As of June 30, 2017 no funds had deficit fund balances

Interest of Member of Governing Body

The city was not in compliance with NRS 332.800 which does not allow a member of the governing body to be interested directly or indirectly in any contract entered into by the governing body. See the Report on State Legal Compliance at page 133 and also the separate schedule of findings and recommendations, as item 2017-001.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 3. Stewardship, Compliance and Accountability, Continued

Property tax calendar

All real property within the city is assigned a parcel number by the County Assessor in accordance with state law, with each parcel being subject to physical reappraisal every five years. A factoring system is used to adjust the appraised value during the years between physical appraisals. The property and its improvements are being assessed at 35% of "taxable value" as defined by statute.

The amount of tax levied is developed by multiplying the assessed value by the tax rate applicable to the area in which the property is located. Article X, Section 2, of the Constitution of the State of Nevada limits the total taxes levied by all overlapping governmental units within the boundaries of any county (i.e., the county, the county school district, the State, and any other city, town, or special district) to an amount not to exceed \$5 per \$100 of assessed valuation of the property being taxed. However, the 1979 Nevada Legislature enacted provisions whereby, commencing July 1, 1979, the combined overlapping tax rate was limited to \$3.64 per \$100 of assessed valuation (as thereafter annually adjusted) except in cases of severe financial emergency as defined by NRS 354.705. In 2005 the Nevada State Legislature passed Assembly Bill 489 which provides for a partial abatement of the ad valorem taxes levied on qualified property. For qualified property, the abatement will limit the increase of property taxes based on the previous year's assessed value.

Real property taxes result in a lien on the property and attach on July 1 (the levy date) of the year for which the taxes are levied. Taxes may be paid in four installments payable on the third Monday in August, and the first Mondays in October, January and March to the County Clerk/Treasurer of Elko County in which the City of Elko is located. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. After a two year waiting period, if taxes remain unpaid, a tax deed is issued conveying the property to Elko County with a lien for back taxes and accumulated charges. Redemption may be made by the owner and such persons as described by statute by paying all back taxes and accumulated penalties, interest and costs before sale. As such, real property taxes receivable reflect only those taxes receivable from the delinquent roll years, and current taxes collected within 60 days of year end and delinquent taxes from all roll years prior to 2012-2013 have been written off. No provision for uncollectible accounts has been established, as management does not anticipate any material collection losses with respect to the remaining balances.

Delinquent taxes receivable not collected within sixty days after year-end are normally recorded as unavailable revenue as they are not available to pay liabilities of the current period.

Taxes on personal property are collected currently. Personal property declarations are mailed out annually and the tax is computed using percentages of taxable values established by the Department of Taxation at the tax rates described above.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 4. Cash and Investments

A reconciliation of cash deposits and investments to the government-wide statement of net position is as follows:

Cash and investments	\$ 37,475,339
Restricted cash and investments	<u> 6,774,087</u>
	<u><u>\$ 44,249,426</u></u>

Deposits

Custodial credit risk

For deposits this is the risk that in the event of a bank failure, the City's deposit may not be returned. The City does not have a formal policy for custodial credit risk. At June 30, 2017 cash on hand was \$7,990 and the carrying amount of the City's deposits was \$9,428,635. None of the City's bank balance of \$9,750,273 was exposed to custodial credit risk since it was insured and collateralized.

Investments

The Nevada State Treasurer's Office operates the Local Government Investment Pool (LGIP). The LGIP is available for investment of funds administered by any Nevada Public Treasurer.

The LGIP is not registered with the SEC as an investment company. Deposits in the LGIP are not insured or otherwise guaranteed by the State of Nevada, and participants share proportionally in any realized gain or losses on investments.

The provisions of State Law (NRS 355.170) govern the investment of public funds.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 4. Cash and Investments, Continued

As of June 30, 2017 the City had the following investments, maturities and credit ratings:

Investment Type	Fair Value	Credit Rating (1)		Weighted Average Maturity (2)
		S&P	Moody's	
Money Market Fund	26,941	N/A	N/A	N/A
U.S. Agencies	3,853,166	AA+	Aaa	539
U.S. Treasuries	932,692	AA+	Aaa	215
Nevada Local Government Investment Pool	30,000,000	N/A	N/A	310
Total Fair Value	<u>\$ 34,812,800</u>			

(1) Ratings are provided where applicable to indicate associated credit risk. N/A indicates not applicable.

(2) Interest rate risk is estimated using the weighted average days to maturity.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2017:

- Money Market Funds are valued using significant other observable inputs (Level 2 inputs)
- U.S. Agencies investments are valued using quoted market prices (Level 1 inputs)
- U.S. Treasuries bills are valued using quoted market prices (Level 1 inputs)
- Nevada Local Government's Investment Pool (LGIP):

Level 1 inputs	\$ 3,066,000
Level 2 inputs	<u>26,934,000</u>
Total LGIP investment	<u>\$ 30,000,000</u>

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 4. Cash and Investments, Continued

Interest rate risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the provisions of State law (NRS 355.170).

Credit risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy for reducing its exposure to credit risk is to comply with State law (NRS 355.170).

Concentration of Credit Risk

Concentration of Credit Risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Securities held by the City or by the City's custodians are diversified to eliminate risk of loss from overconcentration of assets in a specific maturity, a specific issuer, or a specific class of securities. At June 30, 2017, the City investment in U.S. Treasuries and U.S. Agencies exceed 5% of the City's total investments.

NOTE 5. Receivables

Accounts Receivable

No allowance for doubtful accounts receivable has been established since management does not anticipate any material collection loss with respect to the balances shown as accounts receivable.

Due from other governments

Due from other governments reported in the general fund and other governmental-type funds relate to consolidated tax and motor vehicle tax revenue receivable, grant revenue receivable, and other miscellaneous licenses and fees.

Due from other governments reported in the airport fund relates to various grant revenue receivable.

Other receivables

The receivables reported in the general fund include property tax revenues receivable that were measurable and available per GASB, along with other miscellaneous grant, fee, and tax revenue.

The other receivables reported in the Non-major governmental funds relate to miscellaneous court revenue receivable and transient lodging tax revenues receivable from various entities.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 6. Capital Assets

Governmental capital asset activity for the year ended June 30, 2017 was as follows:

Governmental Activities:	Balance 6/30/2016	Additions	Deletions	Balance 6/30/2017
Capital assets, not being depreciated:				
Land	\$ 432,912	\$ -	\$ -	432,912
Construction in progress	3,701,228	2,966,477	(5,992,739)	674,966
Total capital assets, not being depreciated:	4,134,140	2,966,477	(5,992,739)	1,107,878
Capital assets, being depreciated:				
Buildings	11,695,077	12,515	(20,069)	11,687,523
Improvements	9,493,720	250,402	(319,078)	9,425,044
Machinery and equipment	12,879,231	513,247	(389,453)	13,003,025
Infrastructure	38,201,112	3,381,232	(35,541)	41,546,803
Total capital assets, being depreciated:	72,269,140	4,157,396	(764,141)	75,662,395
Less accumulated depreciation for:				
Buildings	(2,204,926)	(165,903)	15,496	(2,355,333)
Improvements	(2,815,632)	(289,512)	203,829	(2,901,315)
Machinery and equipment	(6,084,235)	(895,285)	321,082	(6,658,438)
Infrastructure	(16,828,889)	(1,384,332)	35,541	(18,177,680)
Total accumulated depreciation	(27,933,682)	(2,735,032)	575,948	(30,092,766)
Total capital assets, being depreciated, net	44,335,458	1,422,364	(188,193)	45,569,629
Governmental activities capital assets, net	\$ 48,469,598	\$ 4,388,841	\$ (6,180,932)	\$ 46,677,507

Depreciation expense was charged to the functions/programs of the City as follows:

Governmental Activities:	
General government	\$ 147,347
Public safety	634,270
Public works	1,652,278
Culture and recreation	273,945
Health	27,192
Total depreciation expense - governmental activities	<u>\$ 2,735,032</u>

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 6. Capital Assets, Continued

Business-type capital asset activity for the year ended June 30, 2017 was as follows:

Business Type Activities:	Balance 6/30/2016	Additions	Deletions	Balance 6/30/2017
Capital assets not being depreciated:				
Land	\$ 1,677,189	\$ -	\$ -	\$ 1,677,189
Construction in progress	2,804,361	3,524,303	(4,729,596)	1,599,068
Total capital assets, not being depreciated	4,481,550	3,524,303	(4,729,596)	3,276,257
Capital assets being depreciated:				
Buildings	9,765,735	1,268,656	(4,298)	11,030,093
Improvements	66,661,287	5,676,586	(773,607)	71,564,266
Machinery and equipment	11,848,148	1,463,884	(480,687)	12,831,345
Infrastructure	49,255,430	-	-	49,255,430
Total capital assets, being depreciated	137,530,600	8,409,126	(1,258,592)	144,681,134
Less accumulated depreciation for:				
Buildings	(4,274,931)	(114,851)	4,298	(4,385,484)
Improvements	(31,058,260)	(1,632,839)	625,965	(32,065,134)
Machinery and equipment	(6,007,240)	(596,717)	449,980	(6,153,977)
Infrastructure	(17,618,099)	(2,159,679)	-	(19,777,778)
Total accumulated depreciation	(58,958,530)	(4,504,086)	1,080,243	(62,382,373)
Total capital assets, being depreciated, net	78,572,070	3,905,040	(178,349)	82,298,761
Business-type activities capital assets, net	\$ 83,053,620	\$ 7,429,343	\$ (4,907,945)	\$ 85,575,018

Depreciation expense was charged to the functions/programs of the City as follows:

Business-Type Activities:	
Water	\$ 542,672
Sewer	1,327,102
Airport	2,368,674
Landfill	201,529
Golf	64,109
Total depreciation expense - business-type activities	<u>\$ 4,504,086</u>

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 7. Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2017:

Governmental activities:	<u>Balance 6/30/2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 6/30/2017</u>	<u>Current Portion</u>
General obligation bonds:					
2015 Limited Tax Recreation Facilities and Refunding Bonds	\$ 7,715,000	\$ -	\$ (355,000)	\$ 7,360,000	\$ 365,000
Bond Premium - 2015 Limited Tax Recreation Facilities and Refunding Bonds	522,927		(27,048)	495,879	27,048
2014 Limited Tax Medium-Term Public Safety Bonds	2,730,000	-	(275,000)	2,455,000	285,000
2010 Limited Tax Street Bonds	8,485,000	-	(430,000)	8,055,000	445,000
Bond Premium - 2010 Limited Tax Street Bonds	212,519	-	(14,827)	197,692	14,827
Total general obligation bonds	19,665,446	-	(1,101,875)	18,563,571	1,136,875
Net other post employment benefit obligations	2,196,600	-	(75,036)	2,121,564	-
Net pension liability	18,892,940	2,981,873	(127,120)	21,747,693	-
Accrued compensated absences	1,328,308	557,439	(505,713)	1,380,034	690,017
Total governmental activity long-term liabilities	<u>\$ 42,083,294</u>	<u>\$ 3,539,312</u>	<u>\$ (1,809,744)</u>	<u>\$ 43,812,862</u>	<u>\$ 1,826,892</u>
Business-type activities:					
General obligation bonds:					
Limited Tax Airport Refunding Bonds					
Series 2009A and Series 2009B	\$ 2,690,000	\$ -	\$ (190,000)	\$ 2,500,000	\$ 205,000
Bond premium	12,553	-	(1,225)	11,328	1,225
Total general obligation	2,702,553	-	(191,225)	2,511,328	206,225
Net other post employment benefit obligations	606,810	-	(20,728)	586,082	-
Net pension liability	4,838,925	749,028	-	5,587,953	-
Accrued compensated absences	281,013	115,482	(137,892)	258,603	129,302
Total business-type activity long-term liabilities	<u>\$ 8,429,301</u>	<u>\$ 864,510</u>	<u>\$ (349,845)</u>	<u>\$ 8,943,966</u>	<u>\$ 335,527</u>
Total long-term liabilities	<u>\$ 50,512,595</u>	<u>\$ 4,403,822</u>	<u>\$ (2,159,589)</u>	<u>\$ 52,756,828</u>	<u>\$ 2,162,419</u>

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 7. Long-Term Liabilities, Continued

The City has issued general obligation bonds for both governmental and business-type activities, to provide funds for the acquisition and construction of major capital facilities.

Bonds payable consist of the following at June 30, 2017:

General obligation:

General Obligation (Limited Tax) Recreation Facilities and Refunding Bonds, Series 2015, original issue \$8,000,000, secured by pledged revenues, due in semiannual principal and interest installments ranging from \$416,806 to \$538,856, bearing interest from 2.00% to 4.00%, maturing May 1, 2035. \$ 7,360,000

General Obligation (Limited Tax) Medium-Term Public Safety Bonds, Series 2014, original issue \$3,000,000, secured by pledged revenues, due in semiannual principal and interest installments ranging from \$333,613 to \$337,794, bearing interest at 2.25%, maturing on September 1, 2024. 2,455,000

General Obligation (Limited Tax) Street Bonds, Series 2010, original issue \$10,500,000, secured by pledged revenues, due in semiannual principal and interest installments ranging from \$741,700 to \$745,781, bearing interest at 3.70%, maturing on October 1, 2030. 8,055,000

Total bonds and notes payable - governmental activities 17,870,000

Airport general obligation bonds:

General Obligation (Limited Tax) Airport Improvement Bonds, Series 2009A and 2009B, original issue \$3,735,000, due in semiannual principal and interest installments ranging from \$309,400 to \$327,475, bearing interest from 2.00% to 5.80%, maturing October 1, 2026. \$ 2,500,000

Total bonds and notes payable - business-type activities 2,500,000

Total bonds and notes payable \$ 20,370,000

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 7. Long-Term Liabilities, Continued

Payments on the bonds payable that pertain to the City's governmental activities are made by the debt service fund. The compensated absence liability is paid from the fund responsible for the employee's compensation with significant liabilities payable from the general fund. The net pension liability and the net other postemployment benefit obligations of governmental activities are liquidated by the general fund.

*See Note 17 regarding the 2015 current refunding bond issuance

Estimated debt service requirements for bonds payable are as follows:

Period Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2018	\$ 1,095,000	\$ 593,924	\$ 205,000	\$ 122,055
2019	1,130,000	558,306	215,000	112,475
2020	1,165,000	521,476	225,000	102,166
2021	1,215,000	479,524	225,000	91,290
2022	1,250,000	438,181	245,000	79,571
2023-2027	5,940,000	1,567,434	1,385,000	192,603
2028-2032	4,735,000	620,014	-	-
2033-2035	1,340,000	86,824	-	-
	<u>\$ 17,870,000</u>	<u>\$ 4,865,683</u>	<u>\$ 2,500,000</u>	<u>\$ 700,160</u>

The combined total debt service for both governmental and business-type debt is as follows:

Period Ending June 30,	Combined Total	
	Principal	Interest
2018	\$ 1,300,000	\$ 715,979
2019	1,345,000	670,781
2020	1,390,000	623,642
2021	1,440,000	570,814
2022	1,495,000	517,752
2023-2027	7,325,000	1,760,037
2028-2032	4,735,000	620,014
2033-2035	1,340,000	86,824
	<u>\$ 20,370,000</u>	<u>\$ 5,565,843</u>

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 8. Postemployment Retirement Health Insurance Benefit

Plan Descriptions: The City administers a self-insured healthcare plan with Anthem Blue Cross. Additionally, the City contributes to an agent multiple-employer defined benefit postemployment healthcare plan, Public Employees' Benefits Plan (PEBP). Each plan provides medical, vision, dental, and life insurance benefits to eligible retired City employees and beneficiaries.

Benefit provisions for the City's self-insured plan are established pursuant to NRS 287.023 and can be amended between the City and the respective associations. The plan provides healthcare insurance for eligible retirees and their beneficiaries through the City's group health insurance plan, which covers both active and retired members. Under NRS 287.023, eligible retirees are able to participate in the plan with blended rates, thereby benefitting from an implicit subsidy. Retirees are required to pay 100% of their premiums under the plan. As of June 30, 2017, eight City retirees were utilizing this benefit. The plan does not issue a publicly available financial report.

Benefit provisions for the PEBP are administered by the State of Nevada. NRS 287.043 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. City employees who met the eligibility requirements effective September 1, 2008 for retirement within the Nevada Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP. NRS 287.023 sunsetted the option to join PEBP for City employees who retired from the City after November 29, 2008. Local governments are required to pay the same portion of the cost of coverage for their retirees joining PEBP that the State of Nevada pays for state retirees participating in the plan. As of June 30, 2017, 62 City retirees were utilizing this benefit. The PEBP issues a publicly available financial report that includes financial statements. This report may be obtained by writing to Public Employee's Benefits Program, 901 S. Stewart Street, Suite 1001, Carson City, NV 89701, or by calling (775) 684-7000, or by accessing the website at <https://pebp.state.nv.us/resources/fiscal-utilization-reports/>.

Funding Policy: For the City's self-insured plan, contribution requirements of the plan members and the City are established and may be amended through negotiations between the City and the associations. Retirees pay 100% of the premium. The City did not prefund any future benefits. The City's self-insured plan began July 1, 2012.

For the PEBP, NRS 287.046 establishes the subsidies to be contributed toward the premium costs of the eligible retired City employees. The contribution requirements of plan members and the City may be amended by the PEBP board. Premium rates determined by PEBP are the same for all participating members. Plan members receiving benefits have their monthly contribution deducted from their pension checks based on the health plan chosen by the retiree, as reduced by the amount of the subsidy; therefore, their contributions are not available. For the plan year ended June 30, 2017, City retirees qualified for a subsidy of \$116 at five years of service and \$635 at twenty years of service, with incremental increases for years of service in between. As a participating employer, the City is billed for the subsidy on a monthly basis and is legally required to provide for it. For fiscal year 2017, the City contributed \$304,259 to the plan, equal to required contributions. The City did not prefund future benefits.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 8. Postemployment Retirement Health Insurance Benefit, Continued

Annual OPEB Cost and Net OPEB Obligation: The City's annual other postemployment benefit (OPEB) cost (expense) for the plans is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations, by plan, for fiscal years 2017, 2016, and 2015 were as follows:

	Fiscal Year End	Annual OPEB Cost (Projected Unit Credit Cost Method)	Employer Contributions	Percentage of Annual OPEB Contributed	Net OPEB Obligation
City's Plan	June 30, 2017	\$ 130,822	\$ 25,099	19%	\$ 503,951
City's Plan	June 30, 2016	135,968	9,649	7%	\$ 398,228
City's Plan	June 30, 2015	138,081	19,642	14%	271,909
PEBP	June 30, 2017	102,770	304,259	296%	2,203,692
PEBP	June 30, 2016	90,015	237,189	263%	2,405,181
PEBP	June 30, 2015	87,619	221,852	253%	2,552,355
Combined Totals	June 30, 2017	233,592	329,358	-	2,707,643
Combined Totals	June 30, 2016	225,983	246,838	-	2,803,409
Combined Totals	June 30, 2015	225,700	241,494	-	2,824,264

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 8. Postemployment Retirement Health Insurance Benefit, Continued

The net OPEB obligation (NOPEBO) as of June 30, 2017, was calculated as follows:

	City's Plan	PEBP	Total
Annual Required Contribution (ARC)	\$ 130,718	\$ 102,122	\$ 232,840
Interest on net OPEB obligation	15,496	96,386	111,882
Adjustment to annual required contribution	(15,392)	(95,738)	(111,130)
Annual OPEB Cost	130,822	102,770	233,592
Less: Contributions made	25,099	304,259	329,358
Increase (decrease) in net OPEB obligation	105,723	(201,489)	(95,766)
Net OPEB obligation – beginning of the year	398,228	2,405,181	2,803,409
Net OPEB obligation – end of year	<u>\$ 503,951</u>	<u>\$ 2,203,692</u>	<u>\$ 2,707,643</u>

Funded Status and Funding Progress: The funded status of the plans as the most recent actuarial valuation follows:

	City's Plan	PEBP	Total
Accrued actuarial liability (a)	\$ 939,953	\$ 2,807,865	\$ 3,747,818
Actuarial value of plan assets (b)	-	-	-
Unfunded Actuarial Accrued Liability (a) – (b)	<u>\$ 939,953</u>	<u>\$ 2,807,865</u>	<u>\$ 3,747,818</u>
Funded Ratio (b) / (a)	<u>0%</u>	<u>0%</u>	<u>0%</u>
Covered payroll (c)	<u>\$ 11,220,000</u>	<u>\$ 11,220,000</u>	
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll [(a) – (b)] / (c)	<u>8.38%</u>	<u>25.03%</u>	

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Multiyear information will be provided as it becomes available.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 8. Postemployment Retirement Health Insurance Benefit, Continued

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the City and plan members to that point. Actuarial calculations reflect long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and actuarial value of assets.

In the July 1, 2014, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4% discount rate, which is a standard rate for unfunded plans such as the City's. The healthcare trend rate used for 2014 was 7%, declining 1% per year through 2016. After 2016, the rate used was 5%. The assumptions reflect an implicit rate of general inflation of 5% per year. The Unfunded Actuarial Accrued Liability (UAAL) is being amortized as a level percentage of projected payroll on an open basis. The amortization period is 30 years.

NOTE 9. Interfund Transactions and Balances

As of June 30, 2017, the City did not have any internal balances:

Interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All interfund balances are expected to be repaid within one year.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 9. Interfund Transactions and Balances, Continued

For the year ended June 30, 2017, the City made the following interfund transfers:

Transfers out	Transfers in				
	<u>General Fund</u>	<u>Nonmajor Governmental</u>	<u>Airport</u>	<u>Golf</u>	<u>Total</u>
General Fund	\$ 28,165	\$ 84,496	\$ 163,424	\$ -	\$ 276,085
Recreation Fund	284,267	675,556	320,837	25,793	1,306,453
Total	<u>\$ 312,432</u>	<u>\$ 760,052</u>	<u>\$ 484,261</u>	<u>\$ 25,793</u>	<u>\$ 1,582,538</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10. Defined Benefit Pension Plan

Public Employees' Retirement System of Nevada (PERS)

Plan description

PERS administers a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both Regular and Police/Fire members. The System was established by the Nevada Legislature in 1947, effective July 1, 1948. The System is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 10. Defined Benefit Pension Plan, Continued

Benefits provided

Benefits, as required by the Nevada Revised Statutes (NRS or statute), are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010 and July 1, 2015. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this factor is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% service time factor and for regular members entering the System on or after July 1, 2015, there is a 2.25% factor. The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

Post-retirement increases are provided by authority of NRS 286.575 - .579.

Vesting

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty years of service.

Police/Fire members are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at 65 with five years of service, or age 60 with ten years of service, or age 50 with twenty years of service, or at any age with thirty years of service. Only service performed in a position as a police officer or firefighter may be counted towards the eligibility for retirement as Police/Fire accredited service.

The normal ceiling limitation on monthly benefits allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 10. Defined Benefit Pension Plan, Continued

Contributions

The authority for establishing and amending the obligation to make contributions and member contribution rates is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer.

The System's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

The System receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

The actuarial funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

For the fiscal year ended June 30, 2015, the Statutory Employer/employee matching rate was 13.25% for Regular and 20.75% for Police/Fire. For fiscal years ended June 30, 2016 and 2017, the Statutory Employer/employee matching rate was 14.50% for Regular and 20.75% for Police/Fire.

For the fiscal year ended June 30, 2015 the Employer-Pay Contribution (EPC) rate was 25.75% for Regular and 40.50% for Police/Fire. For fiscal years ended June 30, 2016 and 2017, the EPC was 28% for Regular and 40.50% for Police/Fire.

The City's contributions for the current and two preceding fiscal years, all of which were equal to the required contributions, were as follows:

Year Ended June 30,	Regular Fund	Police/Fire Fund
2015	\$ 1,242,452	\$ 1,954,147
2016	1,407,974	2,036,534
2017	1,401,781	2,027,576

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 10. Defined Benefit Pension Plan, Continued

Investment policy

The System's policies which determine the investment portfolio target asset allocation are established by the Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System. The following was the Board adopted policy target asset allocation as of June 30, 2016:

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return*
Domestic equity	42%	5.50%
International equity	18%	5.75%
Domestic fixed income	30%	0.25%
Private markets	10%	6.80%

*As of June 30, 2016, PERS' long-term inflation assumption was 3.5%.

Pension liability

Net pension liability

At June 30, 2017, the City reported a liability of \$27,335,646 for its proportionate share of the PERS' net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2016. The City's proportion measured as of June 30, 2016, was .20313 percent, which was a decrease of 0.00396 percent from its proportion measured as of June 30, 2015.

Pension liability discount rate sensitivity

The following presents the net pension liability of the PERS as of June 30, 2017, calculated using the discount rate of 8.00%, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current discount rate:

	1% Decrease (7.00%)	Discount Rate (8.00%)	1% Increase (9.00%)
Proportionate share of			
Net pension (asset) / liability	\$ 40,068,717	\$ 27,335,646	\$ 16,741,888

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 10. Defined Benefit Pension Plan, Continued

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the PERS Comprehensive Annual Financial Report, available on the PERS website www.nvpers.org.

Actuarial assumptions

The City's net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	3.50%
Payroll growth	5.00%, including inflation
Investment rate of return	8.00%
Productivity pay increase	0.75%
Projected salary increases	Regular: 4.60% to 9.75%, depending on service Police/Fire: 5.25% to 14.5%, depending on service Rates include inflation and productivity increases
Consumer Price Index	3.50%
Other assumptions	Same as those used in the June 30, 2016 funding actuarial valuation

Actuarial assumptions used in the June 30, 2016 valuation were based on the results of the experience review completed in 2013.

The discount rate used to measure the total pension liability was 8.00% as of June 30, 2016 and June 30, 2015. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2016, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2016 and June 30, 2015.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 10. Defined Benefit Pension Plan, Continued

Pension expense and deferred outflows/inflows of resources related to pensions

For the year ended June 30, 2017, the City recognized pension expense for PERS of \$174,635. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,830,465
Net difference between projected and actual earnings on pension plan investments	2,541,188	-
Subtotal	2,541,188	1,830,465
Changes in proportion and differences between contributions and proportional share of contributions	732,120	433,773
Contributions subsequent to the measurement date	3,429,357	-
Total	<u>\$ 6,702,665</u>	<u>\$ 2,264,238</u>
Governmental activities	\$ 5,332,506	\$ 1,801,382
Business-type activities	1,370,159	462,856
	<u>\$ 6,702,665</u>	<u>\$ 2,264,238</u>

Average expected remaining service lives 6.48 years

The \$3,429,357 reported as deferred outflows of resources related to PERS pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources, excluding the changes in proportion and differences between actual contributions and proportionate share of contributions, will be recognized in pension expense as follows:

Year Ending June 30	Deferred Outflows (Inflows) of Resources
2018	\$ 1,295,714
2019	1,295,714
2020	(5,542,076)
2021	(2,680,610)
2022	1,032,016
2023	227,589
Thereafter	-
	<u>\$ (4,371,653)</u>

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 11. Landfill Fund Closure and Postclosure Care Costs

State and federal laws and regulations require the City to place a final cover and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. Each year the City reassesses the life of the landfill, in the current year an analysis was obtained based on the August 2016 airspace volumetric topographical survey. This assessment resulted in an expected landfill closure in the year 2105, with the available soil being depleted by the year 2091. Based on this survey, an estimate of 1.03% of the landfill has been used. The City purchased insurance to cover the costs of closure and post-closure of the landfill. The City was obligated under the insurance policy to pay 15 annual installments of \$91,139; the last payment was paid in 2014. The City of Elko has no further payments to cover closure and post-closure costs as long as the City does not experience exponential growth or expansion in the landfill. At June 30, 2017, financial assurance relative to costs of closure and post-closure of the landfill was fulfilled through insurance coverage (NAC 444.6855).

NOTE 12. Risk Management

The City, like any governmental entity, is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries of employees; and natural disasters.

The City has joined together with similar public agencies (cities, counties and special districts) throughout the State of Nevada to create a pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (Pool) is a public entity risk pool currently operating as a common risk management and insurance program for its members.

The City pays an annual premium and specific deductibles, as necessary, to the Pool for its general insurance coverage. The Pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$10,000,000 per event and a \$10,000,000 general aggregate per member. Property, crime and equipment breakdown is provided to its members up to \$300,000,000 per loss with various sublimits established for earthquake, flood, equipment breakdown and money and securities.

The City carries an airport liability policy and a workers compensation policy through a third party carrier.

The City continues to carry commercial insurance for other risks of loss, including specific risks of loss not covered by the Pool, including bonding and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial coverage for the past three years.

The City has chosen to establish a risk financing fund for risks associated with the employee's health insurance fund. The risk financing fund is accounted for as an internal service fund where assets are set aside for claim settlements. A premium is charged to each function which accounts for part-time and/or full time employees.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 12. Risk Management, Continued

Liabilities of the funds are reported when it is probable that a loss has occurred and the amount can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. Changes in the balances of claims liabilities during the past two fiscal years are as follows:

Fiscal Year End	Unpaid Claims Beginning of Fiscal Year	Incurred Claims (Including IBNRs)	Claim Payments	Unpaid Claims End of Fiscal Year
June 30, 2017	\$ 152,106	\$ 1,555,778	\$ (1,598,213)	\$ 109,671
June 30, 2016	172,086	1,965,739	(1,985,719)	152,106
June 30, 2015	225,229	1,860,301	(1,913,444)	172,086

NOTE 13. Stabilization Arrangement

On May 14, 2002 the City Council adopted a Revenue Stabilization Fund Policy under NRS 354.6115. A fund was established to stabilize the operations of the City and mitigate the effects of natural disasters. The monies in the fund must be used only if the total actual revenues of the City fall short of the total anticipated revenue in the General Fund for the fiscal year in which the City uses the money, or to pay expenses incurred by the City to mitigate the effects of a natural disaster. Under GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Revenue Stabilization Fund no longer meets the definition of a Special Revenue Fund and it has been combined with the General Fund.

NOTE 14. Ad Valorem Capital Projects Fund

Pursuant to NRS 354.598155, the City is required to indicate in detail the projects that have been funded with the money from the Ad Valorem Capital Projects Fund, as well as, disclose any planned accumulations of the money. For June 30, 2017, \$486,953 was expended for the NDOT Flagview sidewalk project and \$51,508 for the Cedar Street reconstruction project.

CITY OF ELKO, NEVADA
Notes to the Financial Statements
June 30, 2017

NOTE 15. Commitments and Contingencies

On January 9, 2002 the City of Carlin, the City of Elko and Elko County entered into a cooperative agreement to provide financial resources for the water-line extension for the University of Nevada-Reno Fire Academy located on the outskirts of the City of Carlin. The project was deemed beneficial to the economy of the three governmental entities. The water line was completed in fiscal year 2013 and is the property of the City of Carlin. The project was funded by a federal grant of up to \$1 million obtained by the City of Carlin. This grant required matching funds of 25%. Therefore, a loan of \$350,000 was obtained by the City of Carlin from the U.S. Department of Agriculture, Rural Development Agency. The cooperative agreement provides that the City of Elko and Elko County will each reimburse the City of Carlin one-third of the annual loan payment. The City of Elko and Elko County have each agreed to pay the City of Carlin the maximum sum of \$6,916 per year until the loan is paid in full or for a maximum of 40 years. A surcharge fee is charged by the City of Carlin for every water user who connects to the new water line within a period of 40 years. The proceeds collected from this fee will be used to equally reimburse the City of Elko and Elko County for any payments made by them. The surcharge fee collected by the City of Carlin for this fiscal year was insufficient to pay the City's portion of the loan; therefore, the City paid \$6,800 to the City of Carlin.

The City is involved in various matters of litigation. Although the outcome of the litigation is not presently determinable, it is the opinion of City officials that none of the cases will have a materially adverse effect on the City's financial condition.

The City is involved with several significant construction contracts that will continue from fiscal year 2017 through subsequent fiscal years. Details of some of the significant projects are as follows.

On May 9, 2017, the City approved a construction contract for the Effluent Reuse and Sanitary Sewer to the Elko Sports Complex Project in the amount of \$984,765. As of June 30, 2017, the City had spent \$87,605. This project will be paid for with funds available in the Sewer Department.

On February 28, 2017, the City approved a construction contract for the WRF Potable Water Air Gap System in the amount of \$414,296. As of June 30, 2017, \$13,375 has been spent on this project. This project will be paid for with the funds available in the Sewer Department.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ELKO, NEVADA
Schedule of the Proportionate Share of the Net Pension Liability
June 30, 2017

PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA

	Reporting Fiscal Year (Measurement Date)		
	2017 (2016)	2016 (2015)	2015 (2014)
Proportion of the net pension liability (asset)	0.203130%	0.207090%	0.204490%
Proportionate share of the net pension liability (asset)	\$ 27,335,646	\$ 23,731,868	\$ 21,311,585
Covered payroll	\$ 10,447,569	\$ 10,099,417	\$ 11,866,230
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	261.65%	234.98%	179.60%
Plan fiduciary net position as a percentage of the total pension liability	72.2%	75.1%	76.3%

Note: The City implemented GASB 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

CITY OF ELKO, NEVADA
Schedule of Contributions
For the Year Ended June 30, 2017

PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA

	Reporting Fiscal Year (Measurement Date)		
	2017 (2016)	2016 (2015)	2015 (2014)
Statutorily required contribution	\$ 3,444,508	\$ 3,196,599	\$ 3,097,288
Contributions in relation to the statutorily required contribution	\$ (3,444,508)	\$ (3,196,599)	\$ (3,097,288)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 10,447,569	\$ 10,099,417	\$ 11,866,230
Contributions as a percentage of covered-employee payroll	32.97%	31.65%	26.10%

Note: The City implemented GASB 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

CITY OF ELKO, NEVADA
Schedule of Funding Progress – Other Post Employment Benefit Plans
For the Year Ended June 30, 2017

	Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Liability (AAL) - Entry Age Normal Cost (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a)/c)
PEBP	7/1/2009	-	\$ 10,927,597	\$ 10,927,597	0%	\$ 10,100,000	108.19%
PEBP	7/1/2011	-	5,562,427	5,562,427	0%	9,900,000	56.19%
PEBP	7/1/2012	-	3,243,801	3,243,801	0%	9,900,000	32.77%
City's Plan	7/1/2012	-	526,269	526,269	0%	9,900,000	5.32%
PEBP	7/1/2014	-	2,566,101	2,566,101	0%	10,862,000	23.62%
City's Plan	7/1/2014	-	689,254	689,254	0%	10,862,000	6.35%
PEBP	7/1/2016	-	2,807,865	2,807,865	0%	11,220,000	25.03%
City's Plan	7/1/2016	-	939,953	939,953	0%	11,220,000	8.38%

Note: GASB 45 was prospectively implemented in fiscal year 2009; therefore, prior year information is not available.

Trend Data:

Significant changes in the AAL between July 1, 2012 and July 1, 2014 actuarial valuations include:

- PEBP – In 2012, the City was notified of a significant drop in subsidies to be paid to PEBP. Therefore, the City had an actuarial valuation performed for July 1, 2011, which shows the City's AAL decreased to \$5,562,427, partly as a result of this reduced subsidy amount.
- City's Plan – As of July 1, 2014, the City's AAL has decreased to \$3,255,355, down from \$3,770,070 in 2012. This is mainly due to the City's decision to withdraw from PEPB for active employees and become partially self-insured. As such, the PEBP program is closed to all active employees of the City.

CITY OF ELKO, NEVADA
Major Governmental Funds
Schedules of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
June 30, 2017

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund.

Budget and actual comparisons are presented for all funds of the City as required by Nevada Revised Statutes. Such budget comparisons are required to be presented using the budget as adopted, and approved by the State of Nevada Department of Taxation. However, guidance provided in governmental accounting standards specify that one of these internally reported funds of the City, does not meet the definition of a special revenue fund, and, therefore, does not qualify to be separately presented for external reporting purposes:

The **Revenue Stabilization Fund** for the City is combined with the General Fund for external financial reporting. It accounts for the collection and disbursement of funds solely for the purpose of stabilizing revenues in those years that anticipated revenues do not meet original projections. The revenues will be derived from excess fund balances of the General Fund as determined by the Sustained Service and Revenue Policy.

The **Recreation Fund** is special revenue fund used to account for room tax monies received for the purposes of providing recreation improvements.

CITY OF ELKO, NEVADA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Budgetary Basis) and Actual
For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes:				
Ad valorem	\$ 2,998,675	\$ 2,998,675	\$ 2,990,916	\$ (7,759)
Total taxes	2,998,675	2,998,675	2,990,916	(7,759)
Licenses, permits, and fees:				
Business licenses	682,000	682,000	668,308	(13,692)
Other licenses	4,010	4,010	5,254	1,244
Franchise fees	850,000	850,000	806,375	(43,625)
Permits	200,000	200,000	146,850	(53,150)
Total licenses, permits, and fees	1,736,010	1,736,010	1,626,787	(109,223)
Intergovernmental:				
Grants	85,000	125,000	103,250	(21,750)
Fuel taxes	505,099	505,099	503,716	(1,383)
Consolidated revenues	11,567,071	11,567,071	12,607,978	1,040,907
County shared revenues	140,000	140,000	116,282	(23,718)
Other intergovernmental	7,500	7,500	20,984	13,484
Total intergovernmental	12,304,670	12,344,670	13,352,210	1,007,540
Charges for services:				
Community development	90,000	90,000	117,968	27,968
Public work fees	383,000	383,000	391,648	8,648
Public safety fees	73,600	73,600	79,186	5,586
Culture and recreation fees	151,500	151,500	147,593	(3,907)
Health fees	96,325	96,325	128,837	32,512
Total charges for services	794,425	794,425	865,232	70,807
Fines and forfeitures:				
Forensic service fees	5,000	5,000	2,570	(2,430)
Municipal court fees	150,000	150,000	110,044	(39,956)
Bail bond fees	2,000	2,000	1,750	(250)
Alcohol assessment fees	-	-	100	100
Total fines and forfeitures	157,000	157,000	114,464	(42,536)
Investment earnings:				
Interest earnings	2,500	2,500	14,165	11,665
Total investment earnings	2,500	2,500	14,165	11,665
Other revenues:				
Rent	850	850	850	-
Reimbursements	17,000	17,000	42,019	25,019
Private donations	10,000	10,000	83,249	73,249
Miscellaneous	78,742	78,742	77,371	(1,371)
Total other revenues	106,592	106,592	203,489	96,897
Total revenues	18,099,872	18,139,872	19,167,263	1,027,391

(continued)

CITY OF ELKO, NEVADA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Budgetary Basis) and Actual (Continued)
For the Year Ended June 30, 2017

EXPENDITURES	Original Budget	Final Budget	Actual	Variance with Final Budget
General government:				
City manager:				
Salaries and wages	\$ 369,750	\$ 369,750	\$ 359,018	\$ 10,732
Employee benefits	164,800	164,800	152,987	11,813
Services, supplies and other	195,664	244,664	249,104	(4,440)
	<u>730,214</u>	<u>779,214</u>	<u>761,109</u>	<u>18,105</u>
Clerk:				
Salaries and wages	149,000	149,000	144,921	4,079
Employee benefits	66,800	70,300	71,800	(1,500)
Services, supplies and other	34,310	34,310	23,744	10,566
	<u>250,110</u>	<u>253,610</u>	<u>240,465</u>	<u>13,145</u>
Personnel:				
Salaries and wages	52,000	52,000	52,034	(34)
Employee benefits	23,900	23,900	23,460	440
Services, supplies and other	30,587	31,587	31,360	227
	<u>106,487</u>	<u>107,487</u>	<u>106,854</u>	<u>633</u>
Information systems:				
Salaries and wages	93,460	87,460	86,378	1,082
Employee benefits	50,600	44,600	43,197	1,403
Services, supplies and other	148,263	160,263	160,606	(343)
	<u>292,323</u>	<u>292,323</u>	<u>290,181</u>	<u>2,142</u>
Finance:				
Salaries and wages	114,200	96,200	95,418	782
Employee benefits	67,950	57,950	55,505	2,445
Services, supplies and other	33,750	55,750	53,810	1,940
	<u>215,900</u>	<u>209,900</u>	<u>204,733</u>	<u>5,167</u>
Central services:				
Employee benefits	317,800	307,800	301,494	6,306
Services, supplies and other	125,500	125,500	128,023	(2,523)
	<u>443,300</u>	<u>433,300</u>	<u>429,517</u>	<u>3,783</u>
Planning and zoning:				
Salaries and wages	128,250	121,250	120,444	806
Employee benefits	66,950	66,950	63,442	3,508
Services, supplies and other	45,650	20,650	9,483	11,167
	<u>240,850</u>	<u>208,850</u>	<u>193,369</u>	<u>15,481</u>
Economic development:				
Services, supplies and other	28,300	29,800	29,751	49
	<u>28,300</u>	<u>29,800</u>	<u>29,751</u>	<u>49</u>
Total general government	<u>2,307,484</u>	<u>2,314,484</u>	<u>2,255,979</u>	<u>58,505</u>
Judicial:				
Municipal court:				
Services, supplies and other	418,000	411,000	321,273	89,727
Total judicial	<u>418,000</u>	<u>411,000</u>	<u>321,273</u>	<u>89,727</u>

(continued)

CITY OF ELKO, NEVADA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Budgetary Basis) and Actual (Continued)
For the Year Ended June 30, 2017

Expenditures (continued)	Original Budget	Final Budget	Actual	Variance with Final Budget
Public safety:				
Police:				
Salaries and wages	\$ 3,853,075	\$ 3,753,075	\$ 3,727,835	\$ 25,240
Employee benefits	2,255,310	2,185,310	2,173,454	11,856
Services, supplies and other	950,150	970,150	1,000,603	(30,453)
	<u>7,058,535</u>	<u>6,908,535</u>	<u>6,901,892</u>	<u>6,643</u>
Fire- Main station / ARFF:				
Salaries and wages	1,822,550	1,832,550	1,808,552	23,998
Employee benefits	1,112,010	1,112,010	952,682	159,328
Services, supplies and other	443,075	443,075	455,473	(12,398)
	<u>3,377,635</u>	<u>3,387,635</u>	<u>3,216,707</u>	<u>170,928</u>
Fire - Southside station:				
Services, supplies and other	8,250	8,250	5,279	2,971
	<u>8,250</u>	<u>8,250</u>	<u>5,279</u>	<u>2,971</u>
Fire - Downtown station:				
Salaries and wages	19,000	19,000	6,960	12,040
Services, supplies and other	25,100	25,100	19,379	5,721
	<u>44,100</u>	<u>44,100</u>	<u>26,339</u>	<u>17,761</u>
Total public safety	<u>10,488,520</u>	<u>10,348,520</u>	<u>10,150,217</u>	<u>198,303</u>
Public works:				
Public works:				
Salaries and wages	669,875	689,875	678,001	11,874
Employee benefits	351,500	341,500	338,953	2,547
Services, supplies and other	1,246,200	1,226,200	1,206,380	19,820
Capital outlay	-	60,000	38,108	21,892
	<u>2,267,575</u>	<u>2,317,575</u>	<u>2,261,442</u>	<u>56,133</u>
Fleet maintenance:				
Salaries and wages	310,450	310,450	305,633	4,817
Employee benefits	161,950	156,950	153,351	3,599
Services, supplies and other	63,850	63,850	39,352	24,498
	<u>536,250</u>	<u>531,250</u>	<u>498,336</u>	<u>32,914</u>
Engineering:				
Salaries and wages	85,950	80,950	79,289	1,661
Employee benefits	42,250	42,250	39,228	3,022
Services, supplies and other	75,924	75,924	42,828	33,096
Capital outlay	-	20,000	-	20,000
	<u>204,124</u>	<u>219,124</u>	<u>161,345</u>	<u>57,779</u>
Building inspection:				
Salaries and wages	309,725	309,725	266,313	43,412
Employee benefits	160,300	160,300	133,442	26,858
Services, supplies and other	98,560	98,560	85,363	13,197
	<u>568,585</u>	<u>568,585</u>	<u>485,118</u>	<u>83,467</u>

(continued)

CITY OF ELKO, NEVADA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Budgetary Basis) and Actual (Continued)
For the Year Ended June 30, 2017

Expenditures (continued)	Original Budget	Final Budget	Actual	Variance with Final Budget
Facilities maintenance:				
Salaries and wages	217,795	219,795	217,948	1,847
Employee benefits	121,000	121,000	116,182	4,818
Services, supplies and other	348,900	348,900	294,188	54,712
	<u>687,695</u>	<u>689,695</u>	<u>628,318</u>	<u>61,377</u>
Community development:				
Salaries and wages	112,500	112,500	112,450	50
Employee benefits	51,050	52,050	51,752	298
Services, supplies and other	82,500	82,500	36,871	45,629
	<u>246,050</u>	<u>247,050</u>	<u>201,073</u>	<u>45,977</u>
Total public works	<u>4,510,279</u>	<u>4,573,279</u>	<u>4,235,632</u>	<u>337,647</u>
Health:				
Animal control:				
Salaries and wages	\$ 257,995	\$ 249,995	\$ 238,177	\$ 11,818
Employee benefits	143,625	143,625	130,074	13,551
Services, supplies and other	112,800	142,800	135,404	7,396
	<u>514,420</u>	<u>536,420</u>	<u>503,655</u>	<u>32,765</u>
Cemetery				
Salaries and wages	119,850	119,850	108,740	11,110
Employee benefits	72,960	72,960	66,957	6,003
Services, supplies and other	21,750	21,750	13,981	7,769
	<u>214,560</u>	<u>214,560</u>	<u>189,678</u>	<u>24,882</u>
Total health	<u>728,980</u>	<u>750,980</u>	<u>693,333</u>	<u>57,647</u>
Culture and recreation:				
Parks:				
Salaries and wages	419,850	449,850	448,047	1,803
Employee benefits	208,050	223,050	221,449	1,601
Services, supplies and other	140,960	140,960	119,128	21,832
	<u>768,860</u>	<u>813,860</u>	<u>788,624</u>	<u>25,236</u>
Swimming pool:				
Salaries and wages	251,350	251,350	237,674	13,676
Employee benefits	79,050	79,050	78,069	981
Services, supplies and other	164,150	164,150	120,816	43,334
	<u>494,550</u>	<u>494,550</u>	<u>436,559</u>	<u>57,991</u>
Total culture and recreation	<u>1,263,410</u>	<u>1,308,410</u>	<u>1,225,183</u>	<u>83,227</u>
Community support:				
Services, supplies and other	<u>49,362</u>	<u>99,362</u>	<u>99,362</u>	<u>-</u>
Total community support	<u>49,362</u>	<u>99,362</u>	<u>99,362</u>	<u>-</u>

(continued)

CITY OF ELKO, NEVADA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Budgetary Basis) and Actual (Continued)
For the Year Ended June 30, 2017

Expenditures (continued)	Original Budget	Final Budget	Actual	Variance with Final Budget
Contingencies	<u>296,491</u>	<u>296,491</u>	<u>-</u>	<u>296,491</u>
Total expenditures	<u>20,062,526</u>	<u>20,102,526</u>	<u>18,980,979</u>	<u>1,121,547</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,962,654)</u>	<u>(1,962,654)</u>	<u>186,284</u>	<u>2,148,938</u>
Other financing sources (uses):				
Transfer to other funds	<u>(410,111)</u>	<u>(410,111)</u>	<u>(276,085)</u>	<u>134,026</u>
Transfer in from other funds	<u>284,267</u>	<u>284,267</u>	<u>284,267</u>	<u>-</u>
Total other financing sources (uses)	<u>(125,844)</u>	<u>(125,844)</u>	<u>8,182</u>	<u>134,026</u>
Net change in fund balance	<u>(2,088,498)</u>	<u>(2,088,498)</u>	<u>194,466</u>	<u>2,282,964</u>
Fund balance, beginning of year	<u>1,686,436</u>	<u>1,605,566</u>	<u>4,305,759</u>	<u>2,700,193</u>
Fund balance, end of year	<u>\$ (402,062)</u>	<u>\$ (482,932)</u>	<u>\$ 4,500,225</u>	<u>\$ 4,983,157</u>

CITY OF ELKO, NEVADA
General Fund
Reconciliation of the General Fund (Budgetary Basis) to the
Schedule of Revenues, Expenditures, and Changes in Fund Balances – General Fund (GAAP Basis)
For the Year Ended June 30, 2017

	General (Budgetary Basis)	Revenue Stabilization	General (GAAP Basis)
Revenues			
Taxes	\$ 2,990,916	\$ -	\$ 2,990,916
Licenses and permits	1,626,787	-	1,626,787
Intergovernmental	13,352,210	-	13,352,210
Charges for services	865,232	-	865,232
Fines and forfeitures	114,464	-	114,464
Other revenues	203,489	-	203,489
Interest earnings	14,165	10,155	24,320
	<u>19,167,263</u>	<u>10,155</u>	<u>19,177,418</u>
Expenditures			
General government	2,255,979	-	2,255,979
Judicial	321,273	-	321,273
Public safety	10,150,217	-	10,150,217
Public works	4,235,632	-	4,235,632
Health	693,333	-	693,333
Culture and recreation	1,225,183	-	1,225,183
Community support	99,362	-	99,362
	<u>18,980,979</u>	<u>-</u>	<u>18,980,979</u>
Excess (deficiency) of revenues over (under) expenditures	<u>186,284</u>	<u>10,155</u>	<u>196,439</u>
Other financing sources (uses)			
Transfers out	(276,085)	-	(276,085)
Transfers in	284,267	28,165	312,432
	<u>8,182</u>	<u>28,165</u>	<u>36,347</u>
Net change in fund balance	194,466	38,320	232,786
Fund balance, beginning of year	<u>4,305,759</u>	<u>1,746,900</u>	<u>6,052,659</u>
Fund balance, end of year	<u><u>\$ 4,500,225</u></u>	<u><u>\$ 1,785,220</u></u>	<u><u>\$ 6,285,445</u></u>

CITY OF ELKO, NEVADA
Recreation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes:				
Room taxes	\$ 3,500,000	\$ 3,500,000	\$ 3,607,717	\$ 107,717
Other revenues	100,000	189,657	128,134	(61,523)
Interest earnings	10,000	10,000	58,223	48,223
Total revenues	3,610,000	3,699,657	3,794,074	94,417
Expenditures				
Current:				
Culture and recreation:				
Parks and recreation:				
Services and supplies	35,000	35,000	5,000	30,000
Capital outlay	8,316,336	8,405,993	1,211,886	7,194,107
Other recreation:				
Elko Convention Center	1,210,414	1,210,414	1,263,422	(53,008)
Elko County Fairboard	125,000	125,000	129,327	(4,327)
Elko County Recreation Fairboard	156,250	156,250	161,659	(5,409)
Elko Snobowl Foundation	31,250	31,250	32,332	(1,082)
NV State Tourism	93,750	93,750	97,988	(4,238)
Western Folklife Center	62,500	62,500	64,664	(2,164)
Total expenditures	10,030,500	10,120,157	2,966,278	7,153,879
Excess (deficiency) of revenues over (under) expenditures	(6,420,500)	(6,420,500)	827,796	7,248,296
Other financing sources (uses)				
Transfers out	(1,306,453)	(1,306,453)	(1,306,453)	-
Total other financing sources (uses)	(1,306,453)	(1,306,453)	(1,306,453)	-
Net change in fund balance	(7,726,953)	(7,726,953)	(478,657)	7,248,296
Fund balance, beginning of year	7,769,703	7,769,703	7,769,703	-
Fund balance, end of year	\$ 42,750	\$ 42,750	\$ 7,291,046	\$ 7,248,296

CITY OF ELKO, NEVADA
Notes to Required Supplementary Information
June 30, 2016

NOTE 1. Budgetary Reconciliations

The accompanying Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis) presents balances combined for external reporting purposes.

Budget to actual comparisons are presented for all funds of the City as required by Nevada Revised Statutes. Such budget comparisons are required to be presented using the budget as adopted, and approved by the State of Nevada Department of Taxation. However, guidance provided in governmental accounting standards specify that one of these internally reported funds of the City, does not meet the definition of special revenue funds, and therefore does not qualify to be separately presented for external reporting purposes.

The Revenue Stabilization Fund for the City is combined with the General Fund for external reporting purposes

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SUPPLEMENTARY INFORMATION

CITY OF ELKO, NEVADA

**SUPPLEMENTARY INFORMATION
INTERNALLY REPORTED (BUDGETARY BASIS) FUND REPORTED AS A PART OF THE
GENERAL FUND FOR EXTERNAL REPORTING PURPOSES**

**COMBINING STATEMENTS
AND
BUDGET AND ACTUAL REPORTS**

The **Revenue Stabilization Fund** for the City is combined with the General Fund for external financial reporting. It accounts for the collection and disbursement of funds solely for the purpose of stabilizing revenues in those years that anticipated revenues do not meet original projections. The revenues will be derived from excess fund balances of the General Fund as determined by the Sustained Service and Revenue Policy.

CITY OF ELKO, NEVADA
Combining Balance Sheet
Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis)
June 30, 2017

	General Fund (Budgetary Basis)	Revenue Stabilization	General Fund (GAAP Basis)
Assets			
Cash and investments	\$ 2,895,958	\$ 1,783,515	\$ 4,679,473
Receivables:			
Property taxes	43,652	-	43,652
Interest receivable	2,565	1,705	4,270
Other	201,519	-	201,519
Due from other governments	2,519,503	-	2,519,503
Due from other funds	-	-	-
Inventories and prepaids	12,099	-	12,099
Restricted cash and investments	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 5,675,296</u>	<u>\$ 1,785,220</u>	<u>\$ 7,460,516</u>
Liabilities			
Accounts payable	\$ 548,421	\$ -	\$ 548,421
Accrued liabilities	440,424	-	440,424
Due to other governments	2,554	-	2,554
Customer deposits	16,149	-	16,149
Unearned revenue	123,871	-	123,871
Total liabilities	<u>1,131,419</u>	<u>-</u>	<u>1,131,419</u>
Deferred inflows of resources			
Unavailable revenue - property taxes	43,652	-	43,652
Total deferred inflows of resources	<u>43,652</u>	<u>-</u>	<u>43,652</u>
Fund balances			
Nonspendable:			
Inventories and prepaids	12,099	-	12,099
Committed:			
Revenue stabilization	-	1,785,220	1,785,220
Assigned to:			
Next year's budget appropriation	2,703,609	-	2,703,609
Unassigned	1,784,517	-	1,784,517
Total fund balances	<u>4,500,225</u>	<u>1,785,220</u>	<u>6,285,445</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,675,296</u>	<u>\$ 1,785,220</u>	<u>\$ 7,460,516</u>

CITY OF ELKO, NEVADA
Revenue Stabilization Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Interest earnings	<u>\$ 5,000</u>	<u>\$ 10,155</u>	<u>\$ 5,155</u>
Total revenues	<u>5,000</u>	<u>10,155</u>	<u>5,155</u>
Other Financing Sources			
Transfers in	<u>28,165</u>	<u>28,165</u>	<u>-</u>
Net change in fund balance	33,165	38,320	5,155
Fund balance, beginning of year	<u>1,746,900</u>	<u>1,746,900</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 1,780,065</u></u>	<u><u>\$ 1,785,220</u></u>	<u><u>\$ 5,155</u></u>

CITY OF ELKO, NEVADA
SUPPLEMENTARY INFORMATION
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS
AND
BUDGET AND ACTUAL REPORTS

Special revenue funds are used to account for specific revenues that are restricted or committed to expenditure for particular purposes.

The **Youth Recreation Fund** is used to account for state grants and charges for participation in the "latchkey" program with expenditures related to providing these after school services for youth.

The **Municipal Court Administrative Assessment Fund** is used to account for the revenues derived from additional ticketed fines and is to be used to improve the court premises and equipment.

The **Narcotics Tax Force Fund** accounts for proceeds from state grants and monies collected from other local governments to be used for narcotics enforcement.

The **Elko Redevelopment Agency Fund** accounts for revenues including ad valorem taxes to be used for improvements and/or new construction of facilities and infrastructure for all activities associated with the Elko Redevelopment Agency area.

Debt service fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources when the government is obligated in some manner for the payment.

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The **Ad Valorem Capital Projects Fund** is used to account for projects funded by capital projects ad valorem tax revenues.

The **Public Improvement Development Fund** is used to account for revenues collected from developers for costs relating to public capital improvements and development programs.

The **Capital Equipment Reserve Fund** is used to account for the collection and disbursement of funds solely for the purpose of purchasing capital equipment or replacement of existing capital equipment.

The **Capital Construction Fund** is used to account for projects financed from property taxes, land sales, and operating transfers.

The **Facility Reserve Capital Projects Fund** is used to account for the collection and disbursement of funds solely for the purpose of improving existing facilities or constructing new facilities. The revenues will be derived from facility user fees, investment earnings and approved transfers.

CITY OF ELKO, NEVADA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017

	Special Revenue				
	Municipal				
	Youth Recreation	Court Administration Assessment	Narcotics Task Force	Elko Redevelopment Agency	Debt Service
Assets					
Cash and investments	\$ 65,883	\$ 108,709	\$ 94,978	\$ 927,479	\$ 560,389
Receivables:					
Taxes, delinquent	-	-	-	9,517	4,973
Interest	59	-	-	897	1,055
Other	-	329	-	-	-
Due from other governments	-	-	4,090	2,989	181,338
Restricted cash	-	-	-	-	559,686
Total assets	\$ 65,942	\$ 109,038	\$ 99,068	\$ 940,882	\$ 1,307,441
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 10,017	\$ -	\$ 1,625	\$ 51	\$ -
Retainage payable	-	-	-	-	-
Accrued liabilities	7,078	-	-	-	-
Customer deposits	-	-	-	-	-
Unearned revenue	-	-	94,304	-	-
Total liabilities	17,095	-	95,929	51	-
Deferred Inflows of Resources:					
Unavailable revenues - fuel taxes	-	-	-	-	66,974
Unavailable revenues - property taxes	-	-	-	9,517	4,973
Total deferred inflows of resources	-	-	-	9,517	71,947
Fund Balances:					
Restricted for:					
Debt service	-	-	-	-	559,686
Judicial	-	109,038	-	-	-
Capital projects	-	-	-	-	-
Public Safety	-	-	3,139	-	-
Culture and recreation	48,847	-	-	-	-
Redevelopment Agency	-	-	-	931,314	-
Committed:					
Debt service	-	-	-	-	675,808
Capital projects	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	48,847	109,038	3,139	931,314	1,235,494
Total liabilities and fund balances (deficits)	\$ 65,942	\$ 109,038	\$ 99,068	\$ 940,882	\$ 1,307,441

Capital Projects					
Capital Construction	Ad Valorem Capital Projects	Public Improvement Development	Capital Equipment Reserve	Facility Reserve Fund	Total Nonmajor Governmental Funds
\$ 775,262	\$ 549,012	\$ 15,580	\$ 1,154,011	\$ 271,383	\$ 4,522,686
10,839	-	-	5,836	-	31,165
739	539	15	1,147	260	4,711
-	-	-	-	-	329
-	82,329	-	121,909	-	392,655
-	-	-	-	-	559,686
<u>\$ 786,840</u>	<u>\$ 631,880</u>	<u>\$ 15,595</u>	<u>\$ 1,282,903</u>	<u>\$ 271,643</u>	<u>\$ 5,511,232</u>
\$ -	\$ -	\$ -	\$ 42,711	\$ -	\$ 54,404
-	-	-	-	50,001	50,001
-	-	-	-	-	7,078
277,490	-	-	-	-	277,490
-	-	-	-	-	94,304
<u>277,490</u>	<u>-</u>	<u>-</u>	<u>42,711</u>	<u>50,001</u>	<u>483,277</u>
-	-	-	-	-	66,974
10,839	-	-	5,836	-	31,165
<u>10,839</u>	<u>-</u>	<u>-</u>	<u>5,836</u>	<u>-</u>	<u>98,139</u>
-	-	-	-	-	559,686
-	-	-	-	-	109,038
-	631,880	15,595	-	-	647,475
-	-	-	-	-	3,139
-	-	-	-	-	48,847
-	-	-	-	-	931,314
-	-	-	-	-	675,808
498,511	-	-	1,234,356	221,642	1,954,509
-	-	-	-	-	-
<u>498,511</u>	<u>631,880</u>	<u>15,595</u>	<u>1,234,356</u>	<u>221,642</u>	<u>4,929,816</u>
<u>\$ 786,840</u>	<u>\$ 631,880</u>	<u>\$ 15,595</u>	<u>\$ 1,282,903</u>	<u>\$ 271,643</u>	<u>\$ 5,511,232</u>

CITY OF ELKO, NEVADA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2017

	Special Revenue				
	Municipal				
	Youth Recreation	Court Administration Assessment	Narcotics Task Force	Elko Redevelopment Agency	Debt Service
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ 322,484	\$ 449,915
Intergovernmental revenue	-	5,565	27,497	-	743,356
Charges for services	159,841	-	-	-	-
Other revenues	20,441	-	2,000	-	-
Investment earnings	301	-	-	4,716	5,257
Total revenues	180,583	5,565	29,497	327,200	1,198,528
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	25,670	-	-
Public works	-	-	-	24,646	-
Culture and recreation	197,529	-	-	-	-
Debt service:					
Principal	-	-	-	-	1,060,000
Interest	-	-	-	-	626,915
Capital outlay	-	-	-	-	-
Total expenditures	197,529	-	25,670	24,646	1,686,915
Excess (deficiency) of revenues over (under) expenditures	(16,946)	5,565	3,827	302,554	(488,387)
Other financing sources (uses)					
Transfers in	65,793	-	-	-	609,763
Total other financing sources and uses	65,793	-	-	-	609,763
Net change in in fund balances	48,847	5,565	3,827	302,554	121,376
Fund balances (deficits), beginning of year	-	103,473	(688)	628,760	1,114,118
Fund balances, end of year	\$ 48,847	\$ 109,038	\$ 3,139	\$ 931,314	\$ 1,235,494

Capital Projects					
Capital Construction	Ad Valorem Capital Projects	Public Improvement Development	Capital Equipment Reserve	Facility Reserve Fund	Total Nonmajor Governmental Funds
\$ 745,456	\$ 293,814	\$ -	\$ 293,794	\$ -	\$ 2,105,463
-	311,419	-	488,566	-	1,576,403
-	-	-	-	-	159,841
106,947	-	-	16,208	-	145,596
4,166	2,849	91	6,587	2,294	26,261
856,569	608,082	91	805,155	2,294	4,013,564
-	-	-	5,310	-	5,310
-	-	-	-	-	25,670
-	-	-	-	-	24,646
-	-	-	-	-	197,529
-	-	-	-	-	1,060,000
-	-	-	-	-	626,915
1,363,700	538,460	-	517,836	91,784	2,511,780
1,363,700	538,460	-	523,146	91,784	4,451,850
(507,131)	69,622	91	282,009	(89,490)	(438,286)
-	-	-	42,248	42,248	760,052
-	-	-	42,248	42,248	760,052
(507,131)	69,622	91	324,257	(47,242)	321,766
1,005,642	562,258	15,504	910,099	268,884	4,608,050
\$ 498,511	\$ 631,880	\$ 15,595	\$ 1,234,356	\$ 221,642	\$ 4,929,816

CITY OF ELKO, NEVADA
Youth Recreation Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for services	\$ 183,250	\$ 159,841	\$ (23,409)
Other revenues	16,000	20,441	4,441
Investment earnings	100	301	201
Total revenues	<u>199,350</u>	<u>180,583</u>	<u>(18,767)</u>
Expenditures			
Culture and recreation:			
Salaries and wages	110,875	86,503	24,372
Employee benefits	48,360	29,578	18,782
Service, supplies and other	76,050	81,448	(5,398)
Capital outlay	-	-	-
Total expenditures	<u>235,285</u>	<u>197,529</u>	<u>37,756</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,935)</u>	<u>(16,946)</u>	<u>18,989</u>
Other financing sources (uses)			
Transfers in from other funds	<u>65,793</u>	<u>65,793</u>	<u>-</u>
Total other financing sources (uses)	<u>65,793</u>	<u>65,793</u>	<u>-</u>
Net change in fund balance	29,858	48,847	18,989
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 29,858</u></u>	<u><u>\$ 48,847</u></u>	<u><u>\$ 18,989</u></u>

CITY OF ELKO, NEVADA
Municipal Court Administrative Assessments Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental revenue	\$ 8,000	\$ 5,565	\$ (2,435)
Total revenues	8,000	5,565	(2,435)
Expenditures			
Judicial:			
Municipal court:			
Capital outlay	139,167	-	139,167
Total expenditures	139,167	-	139,167
Excess (deficiency) of revenues over (under) expenditures	(131,167)	5,565	136,732
Other financing sources (uses)			
Transfers to other funds	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	(131,167)	5,565	136,732
Fund balance, beginning of year	103,473	103,473	-
Fund balance (deficit), end of year	\$ (27,694)	\$ 109,038	\$ 136,732

CITY OF ELKO, NEVADA
Narcotics Task Force Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Intergovernmental revenue	\$ 34,000	\$ 27,497	\$ (6,503)
Other revenues	<u>-</u>	<u>2,000</u>	<u>2,000</u>
Total revenues	<u>34,000</u>	<u>29,497</u>	<u>(4,503)</u>
Expenditures			
Public safety:			
Services, supplies and other	31,000	25,670	5,330
Capital outlay	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Total expenditures	<u>34,000</u>	<u>25,670</u>	<u>8,330</u>
Excess (deficiency) of revenues over (under) expenditures	-	3,827	3,827
Fund balance (deficit), beginning of year	<u>(688)</u>	<u>(688)</u>	<u>-</u>
Fund balance (deficit), end of year	<u><u>\$ (688)</u></u>	<u><u>\$ 3,139</u></u>	<u><u>\$ 3,827</u></u>

CITY OF ELKO, NEVADA
Elko Redevelopment Agency Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Taxes:			
Ad valorem	\$ 264,429	\$ 322,484	\$ 58,055
Interest earnings	<u>1,500</u>	<u>4,716</u>	<u>3,216</u>
Total revenues	<u>265,929</u>	<u>327,200</u>	<u>61,271</u>
Expenditures			
Public works:			
Highways/streets:			
Services, supplies and other	25,000	8,697	16,303
Capital outlay	<u>862,377</u>	<u>15,949</u>	<u>846,428</u>
Total expenditures	<u>887,377</u>	<u>24,646</u>	<u>862,731</u>
Excess (deficiency) of revenues over (under) expenditures	(621,448)	302,554	924,002
Fund balance, beginning of year	<u>628,760</u>	<u>628,760</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 7,312</u></u>	<u><u>\$ 931,314</u></u>	<u><u>\$ 924,002</u></u>

CITY OF ELKO, NEVADA
Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Taxes:			
Ad valorem	\$ 438,973	\$ 449,915	\$ 10,942
Intergovernmental revenue	699,750	743,356	43,606
Interest earnings	2,500	5,257	2,757
Total revenues	<u>1,141,223</u>	<u>1,198,528</u>	<u>57,305</u>
Expenditures			
Debt service:			
Principal			
General obligation street bonds	-	-	-
General obligation recreation bonds	430,000	430,000	-
General obligation medium-term public safety bonds	275,000	275,000	-
General obligation recreation facility bonds	355,000	355,000	-
Interest			
General obligation street bonds	-	-	-
General obligation recreation bonds	313,131	313,131	-
General obligation medium-term public safety bonds	58,331	58,331	-
General obligation recreation facility bonds	255,763	255,453	310
Total debt service	<u>1,687,225</u>	<u>1,686,915</u>	<u>310</u>
Total expenditures	<u>1,687,225</u>	<u>1,686,915</u>	<u>310</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(546,002)</u>	<u>(488,387)</u>	<u>57,615</u>
Other financing sources (uses)			
Transfers in from other funds	<u>609,763</u>	<u>609,763</u>	<u>-</u>
Total other financing sources (uses)	<u>609,763</u>	<u>609,763</u>	<u>-</u>
Net change in fund balance	63,761	121,375	57,614
Fund balance, beginning of year	<u>1,114,118</u>	<u>1,114,118</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 1,177,879</u></u>	<u><u>\$ 1,235,494</u></u>	<u><u>\$ 115,229</u></u>

CITY OF ELKO, NEVADA
Capital Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Taxes:			
Ad valorem	\$ 756,985	\$ 745,456	\$ (11,529)
Other revenues	-	106,947	106,947
Interest earnings	<u>1,000</u>	<u>4,166</u>	<u>3,166</u>
Total revenues	<u>757,985</u>	<u>856,569</u>	<u>98,584</u>
Expenditures			
Capital outlay	<u>2,636,138</u>	<u>1,363,700</u>	<u>1,272,438</u>
Total expenditures	<u>2,636,138</u>	<u>1,363,700</u>	<u>1,272,438</u>
Excess (deficiency) of revenues over (under) expenditures	(1,878,153)	(507,131)	1,371,022
Fund balance, beginning of year	<u>1,005,642</u>	<u>1,005,642</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ (872,511)</u></u>	<u><u>\$ 498,511</u></u>	<u><u>\$ 1,371,022</u></u>

CITY OF ELKO, NEVADA
Ad Valorem Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Taxes:			
Ad valorem	\$ 283,080	\$ 293,814	\$ 10,734
Intergovernmental revenue	902,500	311,419	(591,081)
Interest earnings	<u>1,500</u>	<u>2,849</u>	<u>1,349</u>
Total revenues	<u>1,187,080</u>	<u>608,082</u>	<u>(578,998)</u>
Expenditures			
Public works:			
Highways/streets:			
Capital outlay	<u>1,984,561</u>	<u>538,460</u>	<u>1,446,101</u>
Total expenditures	<u>1,984,561</u>	<u>538,460</u>	<u>1,446,101</u>
Excess (deficiency) of revenues over (under) expenditures	(797,481)	69,622	867,103
Fund balance, beginning of year	<u>562,258</u>	<u>562,258</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ (235,223)</u></u>	<u><u>\$ 631,880</u></u>	<u><u>\$ 867,103</u></u>

CITY OF ELKO, NEVADA
Public Improvement Development Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Interest earnings	\$ 50	\$ 91	\$ 41
Total revenues	<u>50</u>	<u>91</u>	<u>41</u>
Expenditures			
Public works:			
Capital outlay	<u>15,554</u>	<u>-</u>	<u>15,554</u>
Total expenditures	<u>15,554</u>	<u>-</u>	<u>15,554</u>
Excess (deficiency) of revenues over (under) expenditures	(15,504)	91	15,595
Fund balance, beginning of year	<u>15,504</u>	<u>15,504</u>	<u>-</u>
Fund balance (deficit), end of year	<u><u>\$ -</u></u>	<u><u>\$ 15,595</u></u>	<u><u>\$ 15,595</u></u>

CITY OF ELKO, NEVADA
Capital Equipment Reserve Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Taxes:			
Ad valorem	\$ 292,650	\$ 293,794	\$ 1,144
Intergovernmental revenue	967,900	488,566	(479,334)
Other revenues	96,000	16,208	(79,792)
Interest earnings	2,500	6,587	4,087
	<u>1,359,050</u>	<u>805,155</u>	<u>(553,895)</u>
Expenditures			
General government:			
Services, supplies and other	56,000	5,310	50,690
Capital outlay	250,000	56,392	193,608
	<u>306,000</u>	<u>61,702</u>	<u>244,298</u>
Public safety:			
Capital outlay	1,267,050	270,047	997,003
	<u>1,267,050</u>	<u>270,047</u>	<u>997,003</u>
Public works:			
Capital outlay	202,000	191,397	10,603
	<u>1,831,050</u>	<u>523,146</u>	<u>1,307,904</u>
Excess (deficiency) of revenues over (under) expenditures	(472,000)	282,009	754,009
Other Financing Sources			
Transfers in	58,498	42,248	16,250
Net change in fund balance	(413,502)	324,257	737,759
Fund balance, beginning of year	910,099	910,099	-
Fund balance, end of year	<u>\$ 496,597</u>	<u>\$ 1,234,356</u>	<u>\$ 737,759</u>

CITY OF ELKO, NEVADA
Facility Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Other revenues	\$ -	\$ -	\$ -
Interest earnings	<u>1,000</u>	<u>2,294</u>	<u>1,294</u>
Total revenues	<u>1,000</u>	<u>2,294</u>	<u>1,294</u>
Expenditures			
Capital outlay	<u>300,000</u>	<u>91,784</u>	<u>208,216</u>
Total expenditures	<u>300,000</u>	<u>91,784</u>	<u>208,216</u>
Excess (deficiency) of revenues over (under) expenditures	(299,000)	(89,490)	209,510
Other Financing Sources			
Transfers in	<u>42,248</u>	<u>42,248</u>	<u>-</u>
Net change in fund balance	(256,752)	(47,242)	209,510
Fund balance, beginning of year	<u>268,884</u>	<u>268,884</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 12,132</u></u>	<u><u>\$ 221,642</u></u>	<u><u>\$ 209,510</u></u>

CITY OF ELKO, NEVADA
SUPPLEMENTARY INFORMATION
ENTERPRISE FUNDS
COMBINING STATEMENTS
AND
BUDGET AND ACTUAL REPORTS

Enterprise funds are used to account for operations which are financed and operated in a manner similar to private business enterprises – where the intent of the City Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City Council has decided that periodic determination of net income is appropriate for accountability purposes. The Enterprise Funds consist of the following:

Major Enterprise Funds

The **Water Utility Fund** is used to account for the provision of water services to the residents of the City. All activities necessary to provide services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt.

The **Sewer Utility Fund** is used to account for sewer service and improvements to sewer facilities for the residents of the City. All activities necessary to provide services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt.

The **Airport Fund** is used to account for the Elko Regional Airport and associated costs. All activities necessary to provide services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt.

The **Landfill Fund** is used to account for the regional landfill and associated costs. All activities necessary to provide services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt.

The **Golf Fund** is used to account for the Elko Municipal Golf Course and associated costs. All activities necessary to provide services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt.

CITY OF ELKO, NEVADA
Water Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget and Actual
For the Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget
Operating revenues			
Charges for services	\$ 3,363,705	\$ 3,268,235	\$ (95,470)
Other revenues	145,000	104,052	(40,948)
Total operating revenues	3,508,705	3,372,287	(136,418)
Operating expenses			
Administration			
Salaries	139,850	129,508	10,342
Employee benefits	68,350	75,182	(6,832)
Service, supplies and other	151,359	132,169	19,190
	359,559	336,859	22,700
Operations			
Salaries	637,300	635,076	2,224
Employee benefits	371,000	471,700	(100,700)
Service, supplies and other	823,243	819,069	4,174
	1,831,543	1,925,845	(94,302)
Plant and facilities			
Salaries	75,000	64,744	10,256
Employee benefits	25,100	23,356	1,744
Service, supplies and other	845,400	657,104	188,296
	945,500	745,204	200,296
Depreciation and amortization	533,334	542,672	(9,338)
Total operating expenses	3,669,936	3,550,580	119,356
Operating income (loss)	(161,231)	(178,293)	(17,062)
Nonoperating revenues (expenses)			
Interest income	30,000	47,033	17,033
Gain/(loss) on disposals of capital assets	-	(22,405)	(22,405)
Total nonoperating revenues (expenses)	30,000	24,628	(5,372)
Income (loss) before contributions and transfers	(131,231)	(153,665)	(22,434)
Connection fees	500,000	196,010	(303,990)
Transfers out	(16,250)	-	16,250
Change in net position	352,519	42,345	(310,174)
Net position, beginning of year	23,424,354	23,424,354	-
Net position, end of year	\$ 23,776,873	\$ 23,466,699	\$ (310,174)

CITY OF ELKO, NEVADA
Sewer Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget and Actual
For the Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget
Operating revenues			
Charges for services	\$ 2,935,638	\$ 2,915,762	\$ (19,876)
Other revenues	17,500	20,324	2,824
Total operating revenues	<u>2,953,138</u>	<u>2,936,086</u>	<u>(17,052)</u>
Operating expenses			
Administration			
Salaries	178,750	176,673	2,077
Employee benefits	91,200	83,434	7,766
Service, supplies and other	177,041	163,291	13,750
	<u>446,991</u>	<u>423,398</u>	<u>23,593</u>
Operations			
Salaries	50,000	17,818	32,182
Employee benefits	19,400	5,270	14,130
Service, supplies and other	215,625	227,483	(11,858)
	<u>285,025</u>	<u>250,571</u>	<u>34,454</u>
Plant and facilities			
Salaries	507,000	456,113	50,887
Employee benefits	277,300	241,001	36,299
Service, supplies and other	1,388,713	1,301,029	87,684
	<u>2,173,013</u>	<u>1,998,143</u>	<u>174,870</u>
Laboratory			
Salaries	71,000	70,343	657
Employee benefits	37,400	37,059	341
Service, supplies and other	73,875	57,712	16,163
	<u>182,275</u>	<u>165,114</u>	<u>17,161</u>
Depreciation and amortization	<u>1,557,126</u>	<u>1,327,101</u>	<u>230,025</u>
Total operating expenses	<u>4,644,430</u>	<u>4,164,327</u>	<u>480,103</u>
Operating income (loss)	<u>(1,691,292)</u>	<u>(1,228,241)</u>	<u>463,051</u>
Nonoperating revenues (expenses)			
Sewer improvement fees	2,982,005	2,936,882	(45,123)
Interest income	35,000	85,316	50,316
Gain/(loss) on disposals of capital assets	-	(128,574)	(128,574)
Total nonoperating revenues (expenses)	<u>3,017,005</u>	<u>2,893,624</u>	<u>(123,381)</u>
Income (loss) before contributions and transfers	1,325,713	1,665,383	339,670
Connections fees	<u>600,000</u>	<u>220,914</u>	<u>(379,086)</u>
Change in net position	1,925,713	1,886,297	(39,416)
Net position, beginning of year	<u>39,098,835</u>	<u>39,098,835</u>	<u>-</u>
Net position, end of year	<u>\$ 41,024,548</u>	<u>\$ 40,985,132</u>	<u>\$ (39,416)</u>

CITY OF ELKO, NEVADA
Airport Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget and Actual
For the Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget
Operating revenues			
Intergovernmental	\$ 21,220	\$ 19,108	\$ (2,112)
Charges for services	268,000	242,000	(26,000)
Other revenues	665,690	1,198,935	533,245
Total operating revenues	954,910	1,460,043	505,133
Operating expenses			
Airport administration			
Salaries	73,900	70,565	3,335
Employee benefits	36,550	17,960	18,590
	110,450	88,525	21,925
Public Safety			
Salaries	50,000	36,139	13,861
Employee benefits	36,000	14,701	21,299
	86,000	50,840	35,160
Airport operations			
Salaries	241,900	231,951	9,949
Employee benefits	129,100	68,347	60,753
Service, supplies and other	377,400	322,185	55,215
	748,400	622,483	125,917
Airport terminal operations			
Service, supplies and other	156,700	91,668	65,032
Depreciation and amortization			
City funded	248,893	359,258	(110,365)
Federal unfunded	2,125,603	2,009,415	116,188
	2,374,496	2,368,673	5,823
Total operating expenses	3,476,046	3,222,189	253,857
Operating income (loss)	(2,521,136)	(1,762,146)	758,990
Nonoperating revenues (expenses)			
Interest income	1,000	4,458	3,458
Gain/(loss) on disposals of capital assets	-	(23,783)	(23,783)
Interest expense	(130,837)	(127,533)	3,304
Total nonoperating revenues (expenses)	(129,837)	(146,858)	(17,021)
Income (loss) before contributions and transfers	(2,650,973)	(1,909,004)	741,969
Grant revenue	726,063	1,199,332	473,269
Transfers in	618,287	484,261	(134,026)
Change in net position	(1,306,623)	(225,411)	1,081,212
Net position, beginning of year	33,177,607	33,177,607	-
Net position, end of year	\$ 31,870,984	\$ 32,952,196	\$ 1,081,212

CITY OF ELKO, NEVADA
Landfill Fund
Statement of Revenues, Expenses, and Changes in Net Position
Budget and Actual
For the Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget
Operating revenues			
Charges for services	\$ 1,742,950	\$ 1,750,667	\$ 7,717
Other revenues	57,359	52,877	(4,482)
Total operating revenues	1,800,309	1,803,544	3,235
Operating expenses			
Administration			
Salaries	68,050	59,478	8,572
Employee benefits	34,300	31,257	3,043
Service, supplies and other	37,726	42,138	(4,412)
	140,076	132,873	7,203
Operations			
Salaries	468,075	462,643	5,432
Employee benefits	252,000	239,654	12,346
Service, supplies and other	782,000	637,531	144,469
	1,502,075	1,339,828	162,247
Depreciation and amortization	170,864	201,530	(30,666)
Total operating expenses	1,813,015	1,674,231	138,784
Operating income (loss)	(12,706)	129,313	142,019
Nonoperating revenues (expenses)			
Interest income	5,000	7,841	2,841
Gain/(loss) on disposals of capital assets	-	1,615	1,615
Total nonoperating revenues (expenses)	5,000	9,456	4,456
Change in net position	(7,706)	138,769	146,475
Net position, beginning of year	2,991,927	2,991,927	-
Net position, end of year	\$ 2,984,221	\$ 3,130,696	\$ 146,475

CITY OF ELKO, NEVADA
Golf Fund
Statement of Revenues, Expenses, and Changes in Net Position
Budget and Actual
For the Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget
Operating revenues			
Charges for services	\$ 782,620	\$ 641,040	\$ (141,580)
Other revenues	11,000	6,045	(4,955)
Total operating revenues	793,620	647,085	(146,535)
Operating expenses			
Administration			
Salaries	22,700	21,905	795
Employee benefits	10,450	5,457	4,993
	33,150	27,362	5,788
Operations			
Salaries	277,950	230,674	47,276
Employee benefits	112,150	47,221	64,929
Service, supplies and other	363,550	235,221	128,329
	753,650	513,116	240,534
Depreciation and amortization	66,547	64,109	2,438
Total operating expenses	853,347	604,587	248,760
Operating income (loss)	(59,727)	42,498	102,225
Nonoperating revenues (expenses)			
Interest income	2,000	3,219	1,219
Gain/(loss) on disposals of capital assets	-	3,938	3,938
Total nonoperating revenues (expenses)	2,000	7,157	5,157
Income (loss) before contributions and transfers	(57,727)	49,655	107,382
Capital contributions	-	2,663,015	2,663,015
Transfers in from other funds	25,793	25,793	-
Change in net position	(31,934)	2,738,463	2,770,397
Net position, beginning of year	1,137,827	1,137,827	-
Net position, end of year	\$ 1,105,893	\$ 3,876,290	\$ 2,770,397

CITY OF ELKO, NEVADA
SUPPLEMENTARY INFORMATION
INTERNAL SERVICE FUND
BUDGET AND ACTUAL REPORT

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

The **Health Insurance Fund** is a partially self-insured health insurance program for City employees, dependents and retirees. Revenues include City contributions, employee/retiree contributions, and individual stop loss recovery.

CITY OF ELKO, NEVADA
Health Insurance Internal Service Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget and Actual
For the Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget
Operating revenues			
Charges for services	\$ 2,471,040	\$ 2,151,256	\$ (319,784)
Total operating revenues	2,471,040	2,151,256	(319,784)
Operating expenses			
Employee benefits	2,400,000	1,555,778	844,222
Total operating expenses	2,400,000	1,555,778	844,222
Operating income (loss)	71,040	595,478	524,438
Nonoperating revenues (expenses)			
Interest income	-	4,045	4,045
Total nonoperating revenues (expenses)	-	4,045	4,045
Change in net position	71,040	599,523	528,483
Net position, beginning of year	358,206	358,206	-
Net position, end of year	<u>\$ 429,246</u>	<u>\$ 957,729</u>	<u>\$ 528,483</u>

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STATISTICAL SECTION

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CITY OF ELKO, NEVADA
Schedule of Revenue and Related
Capital Expenditures – Cash Basis
For the Year Ended June 30, 2017

Capital Construction Fund:

Beginning Balance July 1, 2016	\$ (571,190)
Additions:	
Revenue from Ad Valorem Taxes	747,594
Total Additions	747,594
Deletions:	
Fairgrounds Sidewalk Construction	(20,506)
Cedar Street Reconstruction	(1,343,559)
	\$ -
Total Deletions	(1,343,559)
Funds remaining to be spent on Street Projects based on Monies Collected from Ad Valorem Taxes	\$ (1,167,155)

Water Fund:

Beginning Balance July 1, 2016	\$ 332,269
Additions:	
Revenue from Connection Fees	196,010
Deletions:	
Capital Expenses for Projects relating to Growth:	
Exit 298 Water Line	(317,297)
N 5th Street R-O-W	(9,436)
Total Deletions	(326,733)
Funds remaining to be spent on Growth based on Monies Collected from Connection Fees	\$ 201,546

Sewer Fund:

Beginning Balance July 1, 2016	\$ 13,622,186
Additions:	
Revenue from Sewer Improvement Fees	2,950,030
Deletions:	
Capital Expenses for Projects or Replacement	
Equipment Replacement	(99,983)
NDOT Manholes & Valve Boxes	(51,125)
So. Reservoir liner Repair	(34,486)
Odor Control	(1,157,547)
Ruby Vista Effluent Line Replacement	(162,965)
Hot Springs Road Improvements	(385,143)
Golf Reuse Pipe Replacement	(6,092)
Slip Line Replacement	(158,446)
Potable Water Gap	(12,790)
Primary Digester Cleaning and Dome Repair	(110,359)
Reuse to New Sports Complex	(39,414)
Total Deletions	(2,218,350)
Funds remaining to be spent on Capital Projects Monies Collected from Improvement Fees	\$ 14,353,866

Sewer Fund:

Beginning Balance July 1, 2016	\$ 3,793,840
Additions:	
Revenue from Connection Fees	\$ 220,914
Deletions:	
Capital Expenses for Projects Relating to Growth	
Total Deletions	\$ -
Funds remaining to be spent on Growth based on Monies Collected from Connection Fees	\$ 4,014,754

CITY OF ELKO, NEVADA – General Fund
Summary Schedule of Revenues, Expenditures
And Changes in Fund Balance – Budgetary Basis
For the Years Ended June 30

	2008 (Actual)	2009 (Actual)	2010 (Actual)	2011 (Actual)	2012 (Actual)
REVENUES					
Taxes	\$ 2,053,557	\$ 2,138,384	\$ 2,239,938	\$ 2,253,941	\$ 2,373,842
Licenses and Permits	1,517,248	1,555,808	1,491,501	1,765,089	1,913,770
Intergovernmental Revenue	10,822,650	10,483,689	9,868,372	11,543,028	13,399,230
Charges for Services	619,864	577,488	575,032	769,662	876,366
Fines and Forfeits	225,240	250,115	199,207	209,940	185,480
Miscellaneous	287,861	171,484	86,388	105,473	101,462
Total Revenues	15,526,420	15,176,968	14,460,438	16,647,133	18,850,150
EXPENDITURES					
General Government	1,793,403	2,108,515	2,111,813	2,099,734	1,895,752
Judicial	301,401	386,154	387,548	364,974	335,305
Public Safety	7,905,349	8,116,542	8,339,502	8,294,482	8,423,606
Public Works	4,273,874	3,362,015	3,307,233	3,059,259	3,008,660
Health	507,835	525,658	525,384	526,608	518,702
Culture and Recreation	952,538	1,028,101	1,027,251	977,659	900,388
Community Support	36,000	36,000	32,000	21,000	29,500
Contingency	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Total Expenditures	15,770,400	15,562,985	15,730,731	15,343,716	15,111,913
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(243,980)	(386,017)	(1,270,293)	1,303,417	3,738,237
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	234,298	246,256	406,136	1,021,168	223,508
Transfers to other funds	(1,372,655)	(397,690)	(398,715)	(1,061,631)	(2,081,554)
Total Other Financing Sources (Uses)	(1,138,357)	(151,434)	7,421	(40,463)	(1,858,046)
Net Change in Fund Balance	(1,382,337)	(537,451)	(1,262,872)	1,262,954	1,880,191
Fund Balance - July 1	4,931,270	3,548,933	3,011,482	1,748,609	3,011,563
Fund Balance - June 30	\$ 3,548,933	\$ 3,011,482	\$ 1,748,609	\$ 3,011,563	\$ 4,891,754

2013 (Actual)	2014 (Actual)	2015 (Actual)	2016 (Actual)	2017 (Actual)	2018 (Budget)
\$ 2,473,737	\$ 2,509,838	\$ 2,666,813	\$ 2,926,547	\$ 2,990,916	\$ 3,106,742
2,048,308	2,022,603	2,087,384	1,805,306	1,626,787	1,596,095
13,791,267	12,334,542	12,633,948	13,461,108	13,352,210	12,771,879
870,660	883,422	943,598	818,959	865,232	789,300
199,833	171,437	169,913	155,581	114,464	154,500
161,538	110,615	122,543	245,931	217,654	119,500
19,545,343	18,032,457	18,624,199	19,413,432	19,167,263	18,538,016
2,131,446	2,147,213	2,110,308	2,087,961	2,255,979	2,609,716
339,637	306,058	271,025	321,366	321,273	468,000
9,226,056	9,365,562	9,388,271	10,005,524	10,150,217	10,645,035
4,031,364	3,914,165	3,854,165	3,983,563	4,235,632	4,574,838
615,350	674,668	664,070	668,458	693,333	729,260
1,026,925	1,074,605	1,131,856	1,157,473	1,225,183	1,361,285
45,000	57,000	53,827	98,964	99,362	105,011
-	-	-	-	-	307,397
17,415,778	17,539,271	17,473,522	18,323,309	18,980,979	20,800,542
2,129,565	493,186	1,150,677	1,090,123	186,284	(2,262,526)
239,464	243,582	375,431	304,109	284,267	306,289
(1,272,049)	(3,481,257)	(1,187,606)	(671,390)	(276,085)	(747,372)
(1,032,585)	(3,237,675)	(812,175)	(367,281)	8,182	(441,083)
1,096,980	(2,744,489)	338,502	722,842	194,466	(2,703,609)
4,891,754	5,988,734	3,244,245	3,582,747	4,305,589	4,430,012
\$ 5,988,734	\$ 3,244,245	\$ 3,582,747	\$ 4,305,589	\$ 4,500,055	\$ 1,726,403

CITY OF ELKO, NEVADA
Assessed Valuation – Secured and Unsecured Property
For the Years Ended June 30

Fiscal Year	Assessed Valuation	Percent Change
1995	\$ 202,479,335	2.74%
1996	218,662,312	7.99%
1997	231,485,367	5.86%
1998	247,881,803	7.08%
1999	263,888,126	6.46%
2000	272,263,390	3.17%
2001	291,389,822	7.02%
2002	295,123,546	1.28%
2003	288,766,550	-2.15%
2004	297,619,553	3.07%
2005	296,187,696	-0.48%
2006	296,750,239	0.19%
2007	312,805,735	5.41%
2008	337,353,408	7.85%
2009	363,571,663	7.77%
2010	389,109,714	7.02%
2011	390,921,792	0.47%
2012	386,309,054	-1.18%
2013	404,635,915	4.74%
2014	427,797,045	5.72%
2015	465,656,772	8.85%
2016	482,389,245	3.59%
2017	495,031,866	2.62%
2018	513,337,800	3.70%

CITY OF ELKO, NEVADA**Countywide Secured Tax Levies, Collection and Delinquencies****For the Years Ended June 30**

Fiscal Year	Net Levy Roll	Total Taxes Collected	Collected as a % of Taxes Levied
1995	\$ 5,046,187	\$ 5,000,696	99.1%
1996	5,653,208	5,430,161	96.1%
1997	5,848,794	5,777,337	98.8%
1998	6,184,268	6,091,667	98.5%
1999	6,557,417	6,422,643	97.9%
2000	6,916,989	6,769,209	97.9%
2001	7,223,108	7,145,453	98.9%
2002	7,515,678	7,352,732	97.8%
2003	7,913,598	7,773,886	98.2%
2004	8,168,939	8,089,734	99.0%
2005	8,450,691	8,391,493	99.3%
2006	8,806,052	8,764,671	99.5%
2007	9,414,388	9,357,982	99.4%
2008	9,416,173	9,285,228	98.6%
2009	10,572,851	10,270,543	97.1%
2010	10,983,383	10,580,559	96.3%
2011	11,155,991	10,850,072	97.3%
2012	11,210,243	11,077,462	98.8%
2013	11,899,450	11,747,688	98.7%
2014	12,816,924	12,681,650	98.9%
2015	13,488,972	13,400,822	99.3%
2016	13,944,505	13,858,661	99.4%
2017	14,663,343	14,583,800	99.5%

CITY OF ELKO, NEVADA
Ten Largest Property Owners
For the Year Ended June 30, 2017

Taxpayer	Type of Business	Total Value	% of Value
1. Elko Acquisitions LLC	Gaming	\$ 10,763,822	2.2%
2. PHC-Elko Inc.	Community Healthcare	9,226,176	1.9%
3. MP Elko LLC	Real Estate/Commercial	7,775,464	1.6%
4. KLO Global LLC	Real Estate/Residential	7,400,093	1.5%
5. Ruby Vista Apartments LLC	Real Estate/Residential	5,300,932	1.1%
6. NA Degerstrom	Mining	5,169,705	1.0%
7. Sonora LLC	Real Estate/Commercial	4,853,538	1.0%
8. Wal-Mart Real Estate Business	Grocery Retail	4,664,159	0.9%
9. Reality Income Properties 6 LLC	Real Estate/Commercial	4,098,073	0.8%
10. Riverside Villas Nevada LLC	Real Estate/Residential	3,733,395	0.8%
		<u>\$ 62,985,357</u>	

Total Assessed Valuation of Elko City \$ 493,262,382

Notes

- * The valuations for Mining are values provided by the Department of Taxation,
Centrally Assessed Division
- * These assessed values do not account for any abatement applied
- * These are Assessed Values as of November 22, 2017
- * These values are from the Secured AND Unsecured Roll (Combined)
- * Prepared by the Elko County Assessor's Office

CITY OF ELKO, NEVADA
Statewide Average and Overlapping Tax Rates
For the Years Ended June 30

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018 Budget</u>
Average Statewide Rate	<u>3.2162</u>	<u>3.1320</u>	<u>3.1171</u>	<u>3.1304</u>	<u>3.1212</u>	<u>3.1360</u>	<u>3.1360</u>	<u>3.1500</u>	<u>3.1615</u>
City of Elko	0.9200	0.9200	0.9200	0.9200	0.9200	0.9200	0.9200	0.9200	0.9200
Elko County	0.8386	0.8386	0.8386	0.8386	0.8386	0.8386	0.8386	0.8386	0.8386
Elko County School District	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
Special Districts	0.0681	0.0681	0.0537	0.0537	0.0537	0.0537	0.0537	0.0537	0.0537
State of Nevada	<u>0.1700</u>	<u>0.1700</u>	<u>0.1700</u>	<u>0.1700</u>	<u>0.1700</u>	<u>0.1700</u>	<u>0.1700</u>	<u>0.1700</u>	<u>0.1700</u>
Total	<u>3.4967</u>	<u>3.4967</u>	<u>3.4823</u>	<u>3.4823</u>	<u>3.4823</u>	<u>3.4823</u>	<u>3.4823</u>	<u>3.4823</u>	<u>3.4823</u>

CITY OF ELKO, NEVADA
Statutory Debt Limitation
For the Years Ended June 30

Fiscal Year	Assessed Valuation	Debt Limit	Outstanding General Obligation Debt^{1/}	Additional Statutory Debt Capacity
1995	\$ 202,479,335	\$ 60,743,801	\$ 5,088,990	\$ 55,654,811
1996	218,662,312	65,598,694	5,035,966	60,562,728
1997	231,485,367	69,445,610	6,106,422	63,339,188
1998	247,881,803	74,364,541	5,854,044	68,510,497
1999	263,888,126	79,166,438	9,356,291	69,810,147
2000	272,263,390	81,679,017	12,009,569	69,669,448
2001	291,416,822	87,425,047	11,679,464	75,745,583
2002	295,138,546	88,541,564	11,055,964	77,485,600
2003	288,780,550	86,634,165	10,616,125	76,018,040
2004	297,631,533	89,289,460	10,080,917	79,208,543
2005	296,207,696	88,862,309	9,681,808	79,180,501
2006	296,770,239	89,031,072	10,882,881	78,148,191
2007	312,816,735	93,845,021	10,204,260	83,640,761
2008	337,353,408	101,206,022	9,508,686	91,697,336
2009	363,571,663	109,071,499	8,775,724	100,295,775
2010	389,109,714	116,732,914	7,383,511	109,349,403
2011	390,921,792	117,276,538	17,427,471	99,849,067
2012	386,309,054	115,892,716	15,035,000	100,857,716
2013	404,635,925	121,390,778	14,385,000	107,005,778
2014	427,797,045	128,339,114	13,710,000	114,629,114
2015	465,656,772	139,697,032	16,025,000	123,672,032
2016	482,389,245	144,716,774	21,620,000	123,096,774
2017	495,031,866	148,509,560	20,370,000	128,139,560
2018	513,337,800	154,001,340	N/A	N/A

Note: Legal debt limit per NRS 266.600.

CITY OF ELKO, NEVADA
Outstanding Bonded Indebtedness
June 30, 2017

	<u>Date of Issue</u>	<u>Original Issue Amount</u>	<u>Principal Outstanding June 30, 2017</u>
<u>Bonds Payable</u>			
General Obligation Bonds:			
General Government			
2010 Limited Tax Street Bonds	10/5/2010	\$ 10,500,000	\$ 8,055,000
2015 Limited Tax Recreational Facilities and Refunding Bonds	11/12/2015	8,000,000	7,360,000
General Obligation (Limited Tax) Bonds:			
General Government			
Medium-Term Public Safety Bond Series 2014	7/30/2014	3,000,000	2,455,000
Enterprise Fund			
Airport Improvement Bonds Series 2009A and Series 2009B	12/1/2009	3,735,000	2,500,000
Total Bonds Payable		<u>\$ 25,235,000</u>	<u>\$ 20,370,000</u>

CITY OF ELKO, NEVADA
Annual General Obligation Debt Service Requirements
June 30, 2017

Fiscal Year	2010 Street Bonds Limited Tax		2009 Airport Improvement Limited Tax Bond	
	Principal	Interest	Principal	Interest
2018	445,000	297,781	205,000	122,055
2019	465,000	279,581	215,000	112,475
2020	485,000	260,581	225,000	102,166
2021	505,000	240,781	225,000	91,290
2022	520,000	222,556	245,000	79,571
2023	540,000	205,656	250,000	66,980
2024	555,000	187,516	270,000	53,578
2025	575,000	168,375	270,000	39,400
2026	595,000	146,700	290,000	24,380
2027	620,000	122,400	305,000	8,265
2028	645,000	97,100	-	-
2029	675,000	70,700	-	-
2030	700,000	43,200	-	-
2031	730,000	14,600	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
TOTAL	8,055,000	2,357,527	\$ 2,500,000	\$ 700,160

2015 Recreational Facilities Limited Tax Bonds		2014 Public Safety Bond Limited Tax Bond		Total
Principal	Interest	Principal	Interest	
365,000	244,112	285,000	52,031	2,015,979
375,000	233,162	290,000	45,563	2,015,781
385,000	221,914	295,000	38,981	2,013,642
405,000	206,512	305,000	32,231	2,010,814
420,000	190,312	310,000	25,313	2,012,752
440,000	173,512	315,000	18,281	2,009,429
455,000	155,914	325,000	11,081	2,013,089
470,000	137,712	330,000	3,713	1,994,200
355,000	123,612	-	-	1,534,692
365,000	112,962	-	-	1,533,627
375,000	102,014	-	-	1,219,114
385,000	90,762	-	-	1,221,462
395,000	79,212	-	-	1,217,412
410,000	67,362	-	-	1,221,962
420,000	55,064	-	-	475,064
435,000	42,462	-	-	477,462
445,000	29,412	-	-	474,412
460,000	14,950	-	-	474,950
\$ 7,360,000	\$ 2,280,962	\$ 2,455,000	\$ 227,194	\$ 25,935,843

CITY OF ELKO, NEVADA
Total and Unfunded Accrued Liabilities
Years Ended June 30

	All Members	
	2017	2016
Total Actuarial Accrued Liability	48,459,200,000	46,070,157,029
Net Assests at Actuarial Value	35,896,200,000	34,610,720,184
Unfunded Actuarial Accrued Liability	12,563,000,000	11,459,436,845
Assets as % of Total Accrued Laibility	74.08%	75.13%

Source: June 30, 2016 Public Employees' Retirement System of Nevada Comprehensive Annual Financial Repor

COMPLIANCE SECTION

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**Independent Auditors' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

The Honorable Mayor and City Council
City of Elko, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Elko, Nevada, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 6, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



HintonBurdick, PLLC
St. George, Utah
November 6, 2017



**Independent Auditors' Report on Compliance for
Each Major Program and on Internal Control Over
Compliance Required by the Uniform Guidance and the
*Passenger Facility Charge Audit Guide for Public Agencies***

The Honorable Mayor and
City Council
City of Elko, Nevada

Report on Compliance for Each Major Federal Program and Passenger Facility Charge Program

We have audited the City of Elko, Nevada's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide), that could have a direct and material effect on each of the City of Elko, Nevada's major federal programs and on its passenger facility charge program for the year ended June 30, 2017. The City of Elko, Nevada's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its programs and its passenger facility charge program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Elko, Nevada's major federal programs and passenger facility charge program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the audit requirements of the Guide. Those standards, the Uniform Guidance and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and on the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the City of Elko, Nevada's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and the passenger facility charge program. However, our audit does not provide a legal determination of the City of Elko, Nevada's compliance.

Opinion on Each Major Federal Program and Passenger Facility Charge Program

In our opinion, the City of Elko, Nevada, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and on its passenger facility charge program for the year ended June 30, 2017.

Report on Internal Control over Compliance

Management of the City of Elko, Nevada is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Elko, Nevada's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and on its passenger facility charge program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and passenger facility charge program to test and report on internal control over compliance in accordance with the Uniform Guidance and the Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Elko, Nevada's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or passenger facility charge program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or passenger facility charge program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or passenger facility charge program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the Guide. Accordingly, this report is not suitable for any other purpose.



HintonBurdick, PLLC

St. George, Utah

November 6, 2017

CITY OF ELKO, NEVADA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2017

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weaknesses identified? ☐ yes ☒ no
- Significant deficiencies identified? ☐ yes ☒ no

Noncompliance material to financial statements noted?

☐ yes ☒ no

Federal Awards

Internal Control over major programs:

- Material weaknesses identified? ☐ yes ☒ no
- Significant deficiencies identified? ☐ yes ☒ no

Type of auditor's report issued on compliance
for major programs:

Unmodified

Any audit findings disclosed that are required to be reported
in accordance with 2 CFR 200.516?

☐ yes ☒ no

Identification of major programs.

CFDA Number(s)

Name of Federal Program or Cluster

20.106

U.S. Department of Transportation Airport Improvement Program

Dollar threshold used to distinguish between type
A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

☐ yes ☒ no

CITY OF ELKO, NEVADA
Schedule of Findings and Questioned Costs, Continued
For the Year Ended June 30, 2017

Section II - Financial Statement Findings

Material Weaknesses:

None noted.

Significant Deficiencies:

None noted.

Section III - Federal Award Findings and Questioned Costs

No significant matters were noted.

Section IV – Passenger Facility Program Findings and Questioned Costs

No significant matters were noted.

Section V - Summary Schedule of Prior Audit Findings

No significant matters were noted.

CITY OF ELKO, NEVADA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017

Federal Grantor/pass-through Grantor/program Title	Federal CDFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U.S. Department of Justice:</u>			
Direct Program:			
Narcotics Seizure Funds - Equitable Sharing Program	16.922	n/a	\$ 21,725
Office of Community Oriented Policing Services (COPS)	16.710	2014UMWX0144	18,280
Passed through Nevada Department of Public Safety:			
Edward Byrne Memorial Justice Assistance Grant Program:			
Office of Narcotic Control Assistance	16.738	15 - JAG - 08	9,934
Office of Narcotic Control Assistance	16.738	16 - JAG - 08	12,853
Direct Programs:			
Office of Traffic Safety - Ecitations	20.616	LFD-2017-ELKOPD-00009	38,705
Bulletproof Vest Partnership program	16.607	n/a	7,416
Amor Plates and Shields	16.738	15-JAG-36	19,635
Total Department of Justice			128,548
<u>U.S. Department of Transportation</u>			
Direct Program:			
Airport Improvement Program	20.106	3-32-0005-045-2015	775,276
Airport Improvement Program	20.106	3-32-0005-046-2016	318,427
Airport Improvement Program	20.106	3-32-0005-047-2016	105,629
			1,199,332
Passed through State of Nevada Department of Transportation and Public Safety:			
Highway Safety Cluster:			
HWY Planning & Const. NTAP Safe Routes To School - Jennings	20.205	P90-14-063	479
Total Department of Transportation			1,199,811
<u>The Department of Homeland Security</u>			
Direct Program:			
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083		50,760
Total Department of Homeland Security			50,760
Total Expenditures of Federal Awards			\$ 1,379,119

CITY OF ELKO, NEVADA
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017

Note 1. Basis of Presentation

Reporting Entity:

The accompanying schedule of expenditures of federal awards presents the activity or expenditure of all federal awards programs of the City of Elko, Nevada (the City) for the year ended June 30, 2017. The City's reporting entity is defined in Note 1 of the basic financial statements. All expenditure of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

Basis of Accounting:

This accompanying schedule of expenditures of federal awards has been prepared on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

Relationship to Basic Financial Statements:

Expenditures of federal awards have been reported in the following funds:

Governmental-Type Activities:	
General fund	\$ 113,106
Non-major funds:	
Narcotics Task Force fund	27,497
Capital Equipment Reserve fund	38,705
Ad Valorem fund	479
	<u>179,787</u>
Business-Type Activities:	
Airport Fund	1,199,332
	<u> </u>
Total	<u><u>\$ 1,379,119</u></u>

Indirect Cost Rate:

The City did not elect to use the 10% de minimis indirect cost rate for fiscal year 2017.

Federal Loans:

The City did not have any federal loans for fiscal year 2017.

Subrecipients:

There were no subrecipients for fiscal year 2017.

CITY OF ELKO, NEVADA
Schedule of Expenditures of Passenger Facility Charges
For the Year Ended June 30, 2017

	<u>September 30</u>	<u>December 31</u>	<u>March 31</u>	<u>June 30</u>	<u>Total</u>
00-02-C-01-EKO	\$ 18,909	\$ 10,889	\$ 13,324	\$ 15,361	\$ 58,483
Total	<u>\$ 18,909</u>	<u>\$ 10,889</u>	<u>\$ 13,324</u>	<u>\$ 15,361</u>	<u>\$ 58,483</u>

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**Independent Auditors' Report on
State Legal Compliance**

The Honorable Mayor and City Council
City of Elko, Nevada

We have audited the financial statements of the City of Elko, Nevada for the year ended June 30, 2016 and have issued our report thereon dated November 6, 2017. Our audit also included test work on the City's compliance with selected requirements identified in the State of Nevada Revised Statutes (NRS) including, but not limited to, NRS section 354.624 and section 354.6241.

Management of the City is responsible for the City's compliance with all requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit and make specific statements regarding funds established and the status of prior year findings and recommendations; accordingly, we make the following statements:

For the year ended June 30, 2017, the City of Elko has taken steps to act upon recommendations made in prior years.

We noted one new instance of noncompliance during fiscal year 2017.

The City has established a number of funds in accordance with NRS 354.624 as follows:

Enterprise Funds:

- Water Utility Fund
- Sewer Utility Fund
- Airport Fund
- Landfill Fund
- Golf Fund

Funds whose balance is required to be used only for a specific purpose or carried forward to the succeeding fiscal year in any designated amount:

Special Revenue Funds:

- Recreation Fund
- Youth Recreation Fund
- Municipal Court Administration Assessment Fund
- Narcotics Task Force Fund
- Elko Redevelopment Agency Fund

Debt Service Fund

Capital Projects Funds:

- Ad Valorem Capital Projects Fund
- Public Improvement Development Fund
- Capital Equipment Reserve Fund
- Capital Construction Fund
- Facility Reserve Fund

The City appears to be using the above listed funds expressly for the purposes for which they were created and in accordance with NRS 354.624. The funds are being administered in accordance with Generally Accepted Accounting Principles and the reserves, as applicable, appear reasonable and necessary to carry out the purposes of the funds. Sources of revenues available and fund balances and net position are reflected in the individual fund financial statements.

The statutory and regulatory requirements of the funds are as follows:

Water Fund	City Resolution 12-96
Sewer Fund	City Resolution 12-96
Airport Fund	City Resolution 13-02
Landfill Fund	City Resolution 12-96
Golf Fund	City Resolution 14-02
Recreation Fund	City Resolution 12-96
Youth Recreation Fund	City Resolution 21-98
Municipal Court Administration Assessment Fund	NRS 268.4085
Narcotics Task Force Fund	City Resolution 18-01
Elko Redevelopment Agency Fund	Component unit: NRS 279.382 through 279.685
Debt Service Fund	City Resolution 12-96
Ad Valorem Capital Projects Fund	NRS 354.598155
Public Improvement Development Fund	City Resolution 12-96
Capital Equipment Reserve Fund	City Resolution 19-01
Capital Construction Fund	City Resolution 37-99
Facility Reserve Fund	City Resolution 11-02

NRS 354.624 requires a schedule of all fees imposed by the City that were subject to the provisions of NRS 354.5989. See the following page for the schedule.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the City of Elko complied, in all material respects, with the requirements identified above for the year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with NRS 354.624 and 354.6241. Our finding is described in a separate schedule of findings and recommendations, as item 2017-001. Our opinion on compliance is not modified with respect to these matters.

The purpose of this report is solely to describe the scope of our testing of the applicable compliance requirements identified in the Nevada Revised Statutes (NRS) and the results of that testing based on the state requirements. Accordingly, this report is not suitable for any other purpose.



HintonBurdick, PLLC
St. George, Utah
November 6, 2017

CITY OF ELKO, NEVADA

**Schedule of Fees Imposed Subject to the Provisions of NRS
354.5989 – Limitation of Fees for Business Licenses
For the Year ended June 30, 2017**

Flat fixed fees:

Business license revenue for the year ended June 30, 2016 \$ 488,155

Adjustment to base:

Base year:

1. Percentage change in population of the local government (June 30, 2017 data unavailable) 0.00%
2. Percentage increase in the Consumer Price Index for the year ending on December 31, next preceding the year for which the limit is being calculated 1.6%

Adjusted base at June 30, 2017	1.60%	495,965
Actual revenue for the year ended June 30, 2017		<u>491,720</u>
Actual amount over (under) allowable amount		<u>\$ (4,245)</u>

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**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible approval to solicit bids for the City of Elko Water Main Removal and Replacement Project, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **APPROPRIATION**
4. Time Required: **5 Minutes**
5. Background Information: **This project is included in the current fiscal year budget. There are four alley locations targeted for replacement in this project. These locations have been selected based on the high volume of waterline repairs in these areas (9 this past year). RL**
6. Budget Information:

Appropriation Required:
Budget amount available: **\$ 297,000.00**
Fund name: Water
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information:
9. Recommended Motion: **Move to approve soliciting bids**
10. Prepared By: **Ryan Limberg, Utilities Director**
11. Committee/Other Agency Review:
12. Council Action:
13. Council Agenda Distribution:

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible approval to solicit equipment bids for the WRF- Emergency Diesel Generator Project, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **APPROPRIATION**
4. Time Required: **10 Minutes**
5. Background Information: **The current generator (700 KW) is undersized to run all of the necessary plant equipment during power outages and high flows or full plant load. A minimum generator size of 1000 KW is required to do that. Staff desires to solicit bids for a new, larger, 1250 KW generator. This project is budgeted for in the current fiscal year. RL**
6. Budget Information:

Appropriation Required:
Budget amount available: **\$500,000.00**
Fund name: **WRF**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information:
9. Recommended Motion: **Move to approve soliciting equipment bids for WRF- Emergency Diesel Generator Project**
10. Prepared By: **Ryan Limberg, Utilities Director**
11. Committee/Other Agency Review:
12. Council Action:
13. Council Agenda Distribution:

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible approval to solicit construction bids for the WRF- Emergency Diesel Generator Project, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **APPROPRIATION**
4. Time Required: **10 Minutes**
5. Background Information:

The current generator (700 kW) is undersized to run all of the necessary plant equipment during power outages and high flows or full plant load. A minimum generator size of 1000 kW is required to do that. Staff desires to replace this generator with a larger unit (1250 kW) and solicit bids for the necessary related construction work to remove and replace this unit. This project is budgeted for in the current fiscal year. RL
6. Budget Information:

 Appropriation Required:
 Budget amount available: **\$500,000.00**
 Fund name: **WRF**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information:
9. Recommended Motion: **Move to approve soliciting construction bids for WRF- Emergency Diesel Generator Project**
10. Prepared By: **Ryan Limberg, Utilities Director**
11. Committee/Other Agency Review:
12. Council Action:
13. Council Agenda Distribution:

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible final acceptance of the Chilton Centennial Tower Construction Project, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **APPROPRIATION**
4. Time Required: **5 Minutes**
5. Background Information: **This project was awarded to YESCO in the amount of \$183,860.00 on August 22, 2017. This project had no change orders and was completed on time and in conformance with the plans and specifications. BT**
6. Budget Information:

Appropriation Required: \$183,860.00
Budget amount available: \$183,860.00
Fund name: Chilton Centennial Tower
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **None**
9. Recommended Motion: **Approve the final acceptance of the Chilton Centennial Tower Construction Project, in the amount of \$183,860.**
10. Prepared By: **Bob Thibault, Civil Engineer**
11. Committee/Other Agency Review:
12. Council Action:
13. Council Agenda Distribution: **YESCO, Gordie Rogers**
grogers@yesco.com

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible approval for the Fire Department to accept a Local Giving Grant of \$2,500.00 from Wal-Mart Stores Inc. to assist with cost associated with fire prevention education and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **APPROPRIATION**
4. Time Required: **5 Minutes**
5. Background Information: **Wal-Mart Stores Inc. has established grants to assist local agencies to fund public education. The City of Elko Fire Department Prevention Bureau has been selected as the recipient of a \$2,500.00 grant for community fire prevention education materials. Wal-Mart has been a great supporter of the Elko Fire Department's fire prevention efforts for many years. JH**
6. Budget Information:
 Appropriation Required: **N/A**
 Budget amount available: **N/A**
 Fund name: **N/A**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **N/A**
9. Recommended Motion: **Recommend approval for the Fire Department to accept a Local Giving Grant of \$2,500.00 from Wal-Mart Stores Inc.**
10. Prepared By: **John Holmes, Fire Marshal**
11. Committee/Other Agency Review: **N/A**
12. Council Action:
13. Agenda Distribution:

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible approval of a lease agreement between the City of Elko and Elko Television District, for 2, 500 square feet of property located at Elko Regional Airport, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **UNFINISHED BUSINESS**
4. Time Required: **5 Minutes**
5. Background Information: **The Elko Television District is requesting to lease 2,500 square feet of property in the vicinity of the airport beacon, for the purposes of installing a utility building and related Elko Television District equipment. A copy of the proposed lease has been included in the agenda packet for review. CC**
6. Budget Information:
 Appropriation Required: **N/A**
 Budget amount available: **N/A**
 Fund name: **N/A**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **A copy of the proposed lease.**
9. Recommended Motion: **Approve lease agreement between the City of Elko and Elko Television District.**
10. Prepared By: **Curtis Calder, City Manager**
11. Committee/Other Agency Review: **City Attorney**
12. Council Action:
13. Council Agenda Distribution: **Mr. Paul Gardner
1800 Idaho Street
Elko, NV 89801**

Email: paul@elkoradio.com

LEASE AGREEMENT

THIS AGREEMENT (hereinafter "Lease" or "Agreement") made this ____ day of _____, 2018 by and between the **CITY OF ELKO**, a special charter municipal corporation of the State of Nevada, hereinafter referred to as the "**Lessor**," and **ELKO TELEVISION DISTRICT**, a general improvement district organized under Chapter 318 of Nevada Revised Statutes, hereinafter referred to as "**Lessee**."

W I T N E S S E T H

That for and in consideration of the rents, covenants and agreements herein contained, **Lessor** hereby leases to **Lessee**, and **Lessee** hereby leases from **Lessor**, the following property upon the terms and conditions described hereinafter.

I. PREMISES

Lessor does hereby lease to **Lessee**, and **Lessee** does hereby lease from **Lessor**, a portion of that certain parcel of property (the entirety of **Lessor's** property is referred to hereinafter as the "Property"), located at Elko Regional Airport, Elko, Nevada, and being described as a 50' x 50' parcel containing 2,500 square feet ("Land Space"), as shown on the Tax Map of the County of Elko as a portion of Assessor's Parcel Number 001-660-106, together with the non-exclusive right of ingress and egress, seven (7) days a week, twenty-four (24) hours a day, on foot or motor vehicle, including trucks, over or along a fifteen (15) foot wide right-of-way extending from the nearest public right-of-way, being Terminal Way, to the demised premises, and for the installation and maintenance of utility wires, poles, cables, conduits, and pipes over, under, or along one or more ten (10) foot wide rights-of-way from the Land Space. The demised premises and rights-of-way are hereinafter collectively referred to as the "Premises." The Premises are described in Exhibit A attached hereto and made a part hereof, and as shown on the plat of survey attached hereto and incorporated herein as Exhibit B. In the event any public utility is unable to use the aforementioned right-of-way, **Lessor** may, in its discretion, grant an additional right-of-way either to the **Lessee** or to the public utility at no cost to the **Lessee**.

II. TERM OF LEASE

A. Initial Term. Lessee shall have and hold the Premises for a term of ten (10) years (the "Initial Term"), commencing on February 1, 2018 (the "Commencement Date"). The term "Lease Year" shall refer to each consecutive twelve (12) month period during the Term, beginning with the first Lease Year, which commences on the Commencement Date and ends on the last day of the twelfth (12th) calendar month thereafter. The second and each succeeding Lease Year commences on the first day of the year following the preceding Lease Year.

B. Extensions. **Lessee** at its option, shall be entitled to the privilege and option of three (3) successive extensions of this Lease for a period of five (5) years each (each an "Extension Term" and, collectively, the "Extension Terms"); provided, that **Lessee's** right to extend is subject to the following conditions precedent: (i) this Lease shall be in full force and effect at the time **Lessee** exercises its option to extend; (ii) no uncured Event of Default, beyond applicable notice and cure periods, shall exist at the time notice is given or during the period from exercise of the extension through and including the last day of the then current Term; (iii) prior to **Lessee's** exercise of any extension option, **Lessee** shall not have abandoned the Premises; and (iv) **Lessee** shall exercise its option to extend the Term by giving **Lessor** written notice thereof not less than six (6) months, and not more than nine (9) months, prior to the expiration of the then-current Term. Any exercise of an extension option as herein provided shall operate as an extension of the Term hereof, so that this Lease and each and every covenant and provision thereof shall be and remain in full force and effect during the Term as extended and with the same force and effect as if the Term of this Lease were originally for such extended period, except that: (i) **Lessor** shall have no obligation to make any improvement to the Premises or provide a tenant improvement allowance to **Lessee** for improvements, and (ii) there shall be no further right to extend the Term beyond the three (3) extension provided herein. "Term" shall mean and refer to the period of time during which this Lease is in effect, including any Extension Terms. Notwithstanding the foregoing, **Lessor** may, by resolution of the Elko City Council, at any time after the Initial Term, waive the requirement for **Lessee** to provide written notice pursuant to Subsection II.B(iv), above.

III. TERMINATION BY THE LESSOR

The **Lessee** understands that the **Lessor** is developing and adjusting a master plan for the Elko Regional Airport that may include, without limitation, future Airport expansion.

This Agreement shall may be terminated by **Lessor** in the event of either of the following:

- A. The lawful assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport, or any substantial part or parts thereof, in such a manner as substantially to restrict **Lessee** for a period of at least sixty (60) days, from operating thereon. Termination pursuant to this subsection III.A. may, in the **Lessor's** sole discretion, be immediate and without prior notice.
- B. The Premises are needed for Airport and/or airline service purposes and/or City purposes. **Lessor** shall give **Lessee** one hundred twenty (120) days advance written notice of any cancellation under this Subsection III.B.

IV. TERMINATION BY LESSEE

This Agreement may be terminated by **Lessee** upon giving **Lessor** one hundred twenty (120) days' written notice prior to the termination date and by paying **Lessor** the rental that would have been due through the date of termination.

V. RENT

- A. The initial annual rent shall be the sum of **SEVEN HUNDRED DOLLARS (\$700.00)**, calculated in the following manner: 2,500 square feet x \$0.28/year. The first annual rental payment shall be payable on February 1, 2018.
- B. Subsequent annual rental payments shall increase at the rate of three percent (3%) per year, payable on February 1st thereafter during the Term, or subsequent extensions of this Lease. Rental payments shall be delivered to City Hall, 1751 College Ave., Elko, NV 89801, or whenever **Lessor** may demand the same to be paid in writing.

VI. ABANDONMENT

In the event the **Lessee** abandons the Premises at any time during the Term, or fails to begin construction of the improvements within **twenty-four (24) months** from the Commencement Date, the Lease shall immediately terminate without further notice and **Lessee** shall thereupon immediately pay to **Lessor** all rent then due plus all amounts that would have otherwise been due for the remainder of the Term then in effect, as calculated in Article V.

VII. ALTERATIONS AND IMPROVEMENTS

- A. The **Lessee** shall not construct, erect or place any improvements to the leased premises without the prior consent of the City of Elko. All construction shall be in compliance with all applicable building and construction codes.
- B. **Lessor** shall have the right to inspect and approve the plans and specifications of any improvements of **Lessee** prior to construction or installation thereof and to refuse to permit such construction or installation if the external appearance thereof does not meet **Lessor's** reasonable requirements of appearance of structures on the airport, or if the manner or type of construction or installation or the location thereof does not comply with the master plan or meet **Lessor's** requirements for the safe use of the airport or if it does not comply with the building or construction ordinances of the City of Elko. Any alteration, modification or remodeling of any building or structure on the demised premises shall be subject to the inspection and approval of the **Lessor** above provided.

VIII. MAINTENANCE AND REPAIRS

Lessee shall maintain all improvements on the Premises in good order and repair and shall keep the Premises in a clean and orderly condition. Upon termination of this Lease, **Lessee** shall repair any damage caused to the Premises.

IX. APPLICABLE RULES AND LAWS

Lessee agrees to observe and comply with, during the Term, all laws of the State of Nevada, and of the United States, and all applicable ordinances of the County of Elko and the City of Elko, together with any applicable rules, policies or procedures implemented by the City of Elko.

X. INTERFERENCE

Lessee agrees to install equipment of the type and frequency which will not cause harmful interference which is measurable in accordance with the existing Federal Communications Commission (FCC) standards to any equipment of the **Lessor** or other persons, to include other lessees, utilizing Airport property as of the Commencement Date. In the event any of **Lessee's** equipment causes such interference, **Lessee** will take all reasonable steps necessary to correct and eliminate the interference, including but not limited to, powering down.

XI. WASTE

Lessee shall keep the Premises clean and shall dispose of all debris and other waste matter which may accumulate, and shall provide proper containers, with proper covers, for waste within the premises utilized by the **Lessee**.

XII. UTILITIES

Lessee shall promptly pay when due all charges for light, power, water, sewer and all other utilities and services used upon or in connection with the Premises by the **Lessee**.

XIII. TAXES

Lessee will pay any city, county and state taxes levied or assessed against property placed upon the premises by the **Lessee**, together with all necessary license fees.

XIV. INDEMNITY AND INSURANCE

- A. The **Lessee** agrees to hold harmless, release, indemnify and defend the **Lessor**, its officers, supervisors, employees, and agents from and against all fines, suits, claims, demands, expenses, fees, liabilities, defenses and actions of any kind and nature by reason of any and all of its operations hereunder and any and all negligence, acts and omissions of the **Lessee** and its agents, employees, officers, and directors, and hereby assumes all risk and liability of relating to its use of the Premises.

- B. **Lessee** shall maintain with insurance underwriters satisfactory to the **Lessor** a standard form policy or policies of insurance in such amounts as may from time to time be approved by the **Lessor** protecting both the **Lessee** and the **Lessor** against public liability and property damage. **Lessee** shall promptly, after the execution of this Agreement, furnish such policy or policies for public liability and property damage growing out of accidents occurring in or around the Premises in a minimum amount of **\$500,000 for each person injured; \$1,000,000 for any one accident or event of loss; and \$100,000 for property damage.** The specified amounts of insurance in no way limits the liability of **Lessee** and **Lessee** shall carry insurance in such amounts as are reasonably necessary to indemnify and save harmless the **Lessor** from all claims, suits, demands and actions.

XV. DEFAULT AND REMEDIES

This Lease is entered into by **Lessor** on the condition that **Lessee** shall perform all of the covenants and agreements set forth in this Lease which are to be performed by the **Lessee**. If at any time there is a default on the part of the **Lessee** in the payment of rent (the term rent meaning all rentals and any other sums payable to the **Lessor** pursuant to this Lease), taxes, assessments, utility charges or any other charges and payments by **Lessee** to be made, or any part thereof, and if such default shall continue for a period of **thirty-five (35) days** after written notice from **Lessor** as provided for herein; or if the **Lessee** shall fail, refuse or neglect to forthwith cease the violation of any of the provisions of this Lease, or if there shall be default on the part of the **Lessee** in the performance of any of the remaining covenants or agreements of this Lease by the **Lessee** which are to be performed, and such default shall continue for a period of **thirty-five (35) days** after written notice of such default being given by the **Lessor** as provided for herein and **Lessee** has not diligently commenced action to cure such default, the **Lessor** shall have the right to pursue all rights and remedies it may have at law or in equity, including injunctive relief, or it shall have the right, without further demand or notice (which is hereby waived) at its election, to terminate this Lease and to enter upon the Premises with or without legal process and take immediate possession thereof. In addition, **Lessor** may bring suit for and collect all rents and payments payable to the **Lessor**, and all costs, expenses, attorney fees and damages incurred or suffered by the **Lessor**. From the time of such entry, this Lease and all rights, privileges, easements and leasehold interests herein granted shall terminate; provided, that for rents due and nonperformance of other conditions, **Lessor** may sue at once and pursue all remedies that it may have at law or in equity without being required to enter into possession and forfeit the **Lessee's** term as herein provided. **Lessor** and **Lessee** further agree that in the event of any default, the defaulting party shall pay all costs and expenses, including a reasonable attorney's fee, which may arise or accrue from enforcing this Lease, or in pursuit of any remedies provided hereunder, or by the statutes of the State of Nevada, whether such remedy is pursued by filing a suit or otherwise.

XVI. QUIET POSSESSION

The **Lessee**, upon making the payments herein provided for and in the manner provided, and complying with each, every and all of the terms, clauses and covenants of this Lease, shall have the sole right and option of occupying said Premises under the terms of this Lease during the full Term, without any let or hindrance by said **Lessor**. The occupancy for the Term is subject to the rental and renewal provisions as set forth herein.

XVII. ASSIGNMENT AND SUBLETTING

Lessee shall not, at any time during the Term, or in any manner, either directly or indirectly, assign, hypothecate or transfer this Lease or any interest therein, or sublet the Premises, or any portion thereof, without the prior written consent of **Lessor**, which consent may be withheld for any reason or no reason.

XVIII. LIABILITY FOR LESSEE'S PROPERTY

Lessee shall be solely responsible for loss or damage to **Lessee's** personal property or any improvements placed upon the Premises by **Lessee**.

XIX. INSPECTION

Lessor reserves the right to enter upon the Premises at any reasonable time for the purpose of making any inspection it may deem appropriate for the proper enforcement of any of the covenants or conditions of this Lease. However, except in emergency situations, prior to **Lessor's** exercise of this right, **Lessor** must first contact **Lessee** and advise **Lessee** of **Lessor's** intent to inspect, thereby allowing **Lessee** the opportunity to be present at such inspection.

XX. WAIVERS

No waivers by the **Lessor** of default, violation of or non- performance of any of the terms, covenants or conditions hereof to be performed, kept and observed by the **Lessee** shall be construed to or act as a waiver of any subsequent default, violation or non-performance. The acceptance of rental or the performance of all or any part of this Lease by **Lessor** for or during any period or periods after a default, violation or non-performance of any of the terms, covenants and conditions herein contained shall not be deemed a waiver of any right on the part of the **Lessor** to cancel this Lease for failure of **Lessee** to so perform, keep or observe any of the terms, covenants or conditions herein.

XXI. NOTICES

Any and all notices and demands by or from **Lessor** to **Lessee**, or by or from **Lessee** to **Lessor**, required or desired to be given hereunder shall be in writing and shall be validly given or made if served either personally or if deposited in the United States mail, certified or registered, postage prepaid, return receipt requested. If such notice or demand is served by

registered or certified mail in the manner provided herein, service shall be conclusively deemed given **three (3) days** after mailing or upon receipt, whichever is sooner.

A. Any notice or demand to **Lessor** shall be addressed to **Lessor** at:

City of Elko
Attention: City Manager
1751 College Avenue
Elko, Nevada 89801

B. Any notice or demand to **Lessee** shall be addressed to **Lessee** at:

Elko Television District
P.O. Box 456
Elko, Nevada 89803

C. Either party hereto may change its address for the purpose of receiving notices or demands as herein provided by a written notice given in the manner aforesaid to the other party hereto.

XXII. ATTORNEY FEES

In the event either party herein is required to file suit in order to enforce this Agreement, or to obtain a judicial interpretation of this Agreement, the prevailing party shall be entitled to reasonable attorney fees and court costs.

XXIII. BINDING EFFECT

Subject to any restrictions on assignments or subleasing, this Lease shall be binding upon and inure to the benefit of the parties, and their successors and assigns and upon their heirs, executors, successors, assigns and any sublessees of any portion of the Premises.

XXIV. GOVERNING LAW

The validity, construction and enforcement of this Agreement shall be governed in all respects by the laws of the State of Nevada.

XXV. ENTIRE AGREEMENT; MODIFICATION; WAIVER

This Agreement constitutes the entire agreement between **Lessee** and **Lessor** pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations and understandings. No supplement, modification or amendment of or to this Agreement shall be binding unless executed in writing by all the parties. No waiver of any

of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

XXVI. COUNTERPARTS

This Agreement may be executed in one or more counterparts and each counterpart shall constitute an original instrument, but all such counterparts shall only constitute one and the same instrument.

XXVII. CAPTIONS

The captions of this Agreement do not in any way limit or amplify the terms and provisions of this Agreement.

XXVIII. MERGER

The obligations of **Lessor** and **Lessee** pursuant to this Agreement shall survive the close of escrow contemplated hereunder, and shall not be deemed to merge with the deed of conveyance.

XXIX. SEVERABILITY

Each provision of this Agreement is severable from any and all other provisions of this Agreement. Should any provision(s) of this Agreement be for any reason unenforceable, the balance shall nonetheless be of full force and effect.

XXXI. AUTHORSHIP

This Agreement has been reviewed by attorneys representing the respective parties and therefore shall not be construed in favor of or against any party hereto based on the sole or primary authorship of this Agreement being the work of one party hereto.

LESSOR:
CITY OF ELKO

By: _____
Chris J. Johnson, Mayor

ATTEST:

Shanell Owen, City Clerk

LESSEE:
ELKO TELEVISION DISTRICT

By: _____

Title: _____

EXHIBIT A

LEGAL DESCRIPTION OF ELKO TV DISTRICT LEASE AREA

A portion of Parcel No. 3, as shown on the Parcel Map for The City of Elko, Nevada, recorded as file no. 528401, in the office of the Elko county Recorder, on December 10, 2004, further described as follows;

Beginning at a point that bears South 1°22'04" East, a distance of 1,199.76 feet, from the west quarter corner of said Section 16;

Thence, North 89°12'07" East, a distance of 50.00 feet;

Thence, South 0°47'53" East, a distance of 50.00 feet;

Thence, South 89°12'07" West, a distance of 50.00 feet;

Thence, North 0°47'53" West, a distance of 50.00 feet, more or less, to the point of beginning.

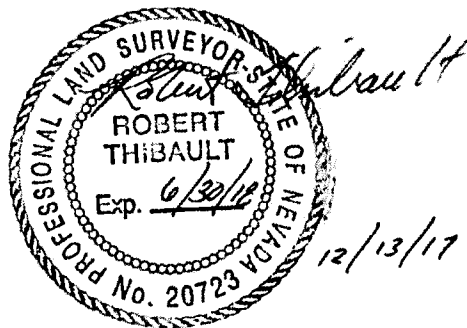
This lease area contains an area of $\pm 2,500$ square feet.

The basis of bearings for this description is the Parcel Map for The City of Elko, Nevada, recorded as file no. 528401, in the office of the Elko county Recorder, on December 10, 2004.

Description prepared by:

City of Elko

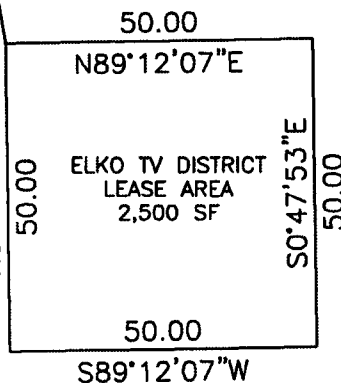
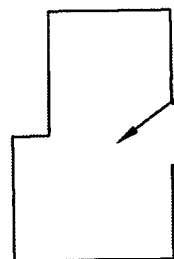
Robert Thibault, P.E., P.L.S.



FOUND $\frac{1}{2}$ STEEL FENCE POST
WEST $\frac{1}{4}$ CORNER SECTION 16,
T 34 N, R 55 E

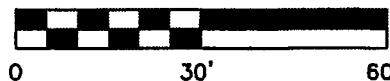
EXISTING VERIZON LEASE AREA

EXISTING TOWER



2654.45
S0°47'53"E

FOUND BRASS CAP, LS 20908
SOUTHWEST CORNER SECTION 16,
T 34 N, R 55 E



SCALE
HORIZ 1"=30'
VERT _____
JOB No _____

EXHIBIT B
MAP OF ELKO TV DISTRICT
LEASE AREA

DESIGNED BY BT
DRAWN BY ACAD CSD 2015
CHECKED BY BT
DATE 12/13/2017

IN SECTION 16, T 34 N,
R 55 E, M.D.B.&M.

U:\Reports\2015-Lease-working files\2015-LEASE-WORKING-DRAWING.dwg

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible action to accept the resignation of Arts and Culture Advisory Board Member Simone Turner, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **NEW BUSINESS**
4. Time Required: **5 Minutes**
5. Background Information: **Ms. Simone Turner's letter of resignation has been included in the agenda packet for review. CC**
6. Budget Information:

Appropriation Required: N/A
Budget amount available: N/A
Fund name: N/A
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **Resignation Letter from Ms. Simone Turner**
9. Recommended Motion: **Accept the resignation of Arts and Culture Advisory Board Member Simone Turner**
10. Prepared By:
11. Committee/Other Agency Review:
12. Council Action:
13. Council Agenda Distribution: **Ms. Simone Turner**
simonemariet@gmail.com

From: Simone Turner [<mailto:simonemariet@gmail.com>]

Sent: Wednesday, November 01, 2017 2:41 PM

To: Jeremy Draper <jdraper@elkocitynv.gov>; Catherine Wines <catherine@r6studio.com>; Kim Wilkinson <kwilkinson@elkocitynv.gov>

Subject: My resignation.

Hello all,

I am tendering my resignation as of today 11/1/2017. I can no longer fulfill my duties as a chairperson on the Arts and Cultural advisory board. As some of you may know I am care giver to my father, and I need to be closer to home more. Also I am an artist first and foremost and I worry about conflicts of interest with my membership on the board. I can and intend to serve the rest of this year, and December 31st. will be my last day. Thank you for allowing me to serve, and I do look forward to contributing my time and efforts to helping advance the arts and culture in Elko, but as a private citizen. Sincerely
Simone Turner

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, discussion, and possible authorization to advertise for one (1) vacant position on the Arts and Culture Advisory Board, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **NEW BUSINESS**
4. Time Required: **5 Minutes**
5. **Background Information: Arts and Culture Advisory Board Member Simone Turner has submitted her resignation from the Board, which leaves one vacant position. CC**
6. Budget Information:

Appropriation Required: **N/A**
Budget amount available: **N/A**
Fund name: **N/A**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **Letter of Resignation submitted by Ms. Simone Turner**
9. Recommended Motion: **Authorize Staff to advertise for one (1) vacant position on the Arts and Culture Advisory Board**
10. Prepared By: **Curtis Calder, City Manager**
11. Committee/Other Agency Review:
12. Council Action:
13. Council Agenda Distribution: **Catherine Wines, Chairperson
Arts and Culture Advisory Board
catherine@r6studio.com**

From: Simone Turner [mailto:simonemariet@gmail.com]

Sent: Wednesday, November 01, 2017 2:41 PM

To: Jeremy Draper <jdraper@elkocitynv.gov>; Catherine Wines <catherine@r6studio.com>; Kim Wilkinson <kwilkinson@elkocitynv.gov>

Subject: My resignation.

Hello all,

I am tendering my resignation as of today 11/1/2017. I can no longer fulfill my duties as a chairperson on the Arts and Cultural advisory board. As some of you may know I am care giver to my father, and I need to be closer to home more. Also I am an artist first and foremost and I worry about conflicts of interest with my membership on the board. I can and intend to serve the rest of this year, and December 31st. will be my last day. Thank you for allowing me to serve, and I do look forward to contributing my time and efforts to helping advance the arts and culture in Elko, but as a private citizen. Sincerely

Simone Turner

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible action to modify the fees currently charged for reuse water as defined in Resolution 2-08, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **NEW BUSINESS**
4. Time Required: **15 Minutes**
5. Background Information: **At the December 12, 2017 Council meeting, “a Motion was made by Mayor Johnson, seconded by Councilwoman Simons, to direct Staff to solicit bids for the WRF Fill Station less the scope of work of the electronic reader that the City of Elko would not bill for effluent water”.**

Currently, construction water is the only use which we bill for reuse water. RL
6. Budget Information:

Appropriation Required:
Budget amount available:
Fund name:
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **Resolution 2-08**
9. Recommended Motion: **My recommendation would not be to waive the fee, but rather increase this fee to \$.75/1000 gallons (1/2 the potable water rate). RL**
10. Prepared By: **Ryan Limberg, Utilities Director**
11. Committee/Other Agency Review:
12. Council Action:
13. Council Agenda Distribution:

Upon introduction by Councilman Jay Elquist, seconded by Councilman Jim Conner following Resolution and Order was passed and adopted:

CITY OF ELKO
Resolution No. 2-08

A Resolution Establishing a Fee for Treated Effluent Construction Water pursuant to Title 9, Chapter 5, Section 30 of the Elko City Code, and matters related thereto.

WHEREAS, the Elko City Code Title 9, Chapter 5, Section 30, provides that the City Council may, by resolution, establish a fee for treated effluent construction water; and

WHEREAS, the City Council of the City of Elko has deemed it necessary **WHEREAS**, In order to recover costs and meet demands of the public, the City has determined a need to adopt Treated Effluent Construction Water Metered Rates.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Elko that fees for treated effluent construction water be added as follows:

TREATED EFFLUENT CONSTRUCTION WATER METERED RATES

Deposit: The applicant shall deposit, in advance, the estimated cost of installing and removing the facilities required to furnish said service, exclusive of the cost of salvageable material. Upon discontinuance of service, the actual cost shall be determined and an adjustment made as an additional charge, refund or credit. If service is supplied through a fire hydrant, the applicant will be charged in accordance with the following rate schedule:

Flat charge per connection, for both installation and removal of service facilities, including meter	\$75.00
--	---------

Each additional move of facilities to another location	\$25.00
--	---------

Rates: The rate for metered service shall be forty cents (\$.40) per one thousand (1,000) gallons. The minimum charge for water shall be fifteen dollars (\$15.00) per month. Water charges shall be billed monthly.

IT IS FURTHER RESOLVED, that upon adoption of this Resolution by the City Council, it shall be signed by the Mayor and attested to by the City Clerk and shall be in full force and effect April 1, 2008.

PASSED AND ADOPTED this 11th day of March, 2008.

CITY OF ELKO


MICHAEL J. FRANZOIA, Mayor

ATTEST:


SHANELL OWEN, City Clerk

AYES: Mayor Mike Franzoia, Councilmen: Jay Elquist, Jim Conner, Chris Johnson, John Patrick Rice

NAYS: None

ABSENT: None

ABSTAIN: None

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible action to initiate an amendment to Title 4, Chapter 6 of the Elko City Code entitled “Room Tax” and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **NEW BUSINESS**
4. Time Required: **10 Minutes**
5. Background Information: **City Staff is recommending several changes to the Room Tax Code to assist with reporting deadlines and auditing compliance. SO**
6. Budget Information:
 Appropriation Required: **N/A**
 Budget amount available: **N/A**
 Fund name: **N/A**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **Draft Ordinance**
9. Recommended Motion: **Approve initiation of Title 4, Chapter 6 of the Elko City Code entitled “Room Tax” and refer the matter for first reading.**
10. Prepared By: **Shanell Owen, City Clerk**
11. Committee/Other Agency Review:
12. Council Action:
13. Agenda Distribution:

CITY OF ELKO

ORDINANCE NO. _____

AN ORDINANCE AMENDING TITLE 4, CHAPTER 6 OF THE ELKO CITY CODE,
ENTITLED "ROOM TAX" AND MATTERS RELATED THERETO

WHEREAS, the City of Elko desires to amend the Elko City Room Tax Code pertaining to room tax due dates and penalties;

WHEREAS, the City of Elko has determined that the proposed amendments will assist with transient lodging audits;

WHEREAS, the City of Elko has determined that the proposed amendments will provide clarification for transient lodging twenty-eight (28) day exemptions.

WHEREAS, the City of Elko has determined that the proposed amendment will assist in meeting the State requirements for transient lodging tax distributions and required reporting;

WHEREAS, the City of Elko has determined that promotional packages associated with transient lodging are no longer needed;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF ELKO, NEVADA

For amendment purposes, words which are in bold and underlined are additions to the Ordinance, and words which are lined through and bold are deleted from the Ordinance.

SECTION 1. Title 4, Chapter 6, Section 1 of the Elko City Code is hereby amended as follows:

4-6-1 DEFINITIONS:

RENTAL BUSINESS:

- A. Rent: The act of permitting a person to use or occupy any portion of a transient lodging rental business in exchange for a fee paid, or the compensation paid for such use or occupancy. The terms "rent" and "lease" shall have the same meaning in this Chapter.
- B. Transient Lodging Rental Business: The operating of any business which provides "transient lodging", wherein a room, space or other accommodation is rented for a period of less than twenty-eight (28) days for use by the same tenant, to include any room, space or other accommodation which is rented to the same tenant in successive terms, the total of which is less than twenty-eight (28) days each, but not to include any room, space or other accommodation which is rented, **for a tenant, who is a natural person, that signs, prior to their stay, a Transient Occupancy Tax 28 Day Exemption Form to stay at that Transient Lodging facility** for a term of twenty-eight days (28) or longer. **The fact that the guest may have actually stayed for twenty-eight (28) days or longer is not in itself sufficient to claim exemption from the tax.** In the event a business rents a portion of its rooms, spaces or other accommodations for terms of less than twenty-eight (28) days and another portion of its rooms, spaces or other accommodations for terms of twenty-eight (28) days or more, only those rooms, spaces or other accommodations

rented for terms of less than twenty-eight (28) days shall constitute a "transient lodging rental business".

TRANSIENT LODGING: The following types of lodging:

- I. Any other establishment that rents rooms, spaces or other accommodations to temporary or transient guests having three (3) ~~four (4)~~ or more rooms, spaces or other accommodations for rent.

SECTION 2. Title 4, Chapter 6, Section 2 of the Elko City Code is hereby amended as follows:

4-6-2: TAX ON TRANSIENT LODGING:

There is hereby fixed and imposed on every licensee operating a transient lodging rental business within the city a transient lodging tax in the total amount of fourteen percent (14%) to be collected as follows:

Fourteen percent (14%) of the gross income actually received, excluding the lodging tax, by each licensee for transient lodging rentals. Complimentary transient lodging (transient lodging which is provided at no cost to the occupant) is nontaxable. To be considered complimentary transient lodging, the transient lodging must be provided on an individual basis and not as part of any established package, advertised or otherwise, which includes other products or services. ~~Transient lodging included in promotional packages is taxable. The taxable amount for such transient lodging, except those promotional packages that include airfare, is computed by obtaining the percentage that the transient lodging rack rate bears to the retail value of the package and multiplying that percentage by the package cost to the occupant, or the actual amount charged for the transient lodging, whichever is greater.~~

~~Example: Transient lodging with an established rack rate of fifty dollars (\$50.00) is included in the following package, which is sold for forty dollars (\$40.00):~~

Food credit	\$ 10.00
Coins	10.00
Cabaret show	20.00
Drink tokens	10.00
Rack rate	50.00
-	-
Retail value of package	100.00

~~The rack rate equals fifty percent (50%) of the retail value of the package. Therefore, fifty percent (50%) of the package cost, or twenty dollars (\$20.00), must be allocated to transient lodging and included in taxable revenue.~~

~~Transient lodging tax charged for transient lodging rented as part of a promotional package that includes airfare shall be set by resolution of the city council.~~

SECTION 3. Title 4, Chapter 6, Section 4 of the Elko City Code is hereby amended as follows:

There shall be, and hereby is, exempted from the license tax on transient lodging, each rental by any lessee of a room, space or other accommodation when the room, space, or other accommodation is paid for, directly, from a federal, state or local governmental entity **provided that a Governmental Agency Exemption Claim Form is completed.**

A Licensee is entitled to an exemption for any Lessee who is a natural person, that signs, prior to their stay, a Transient Occupancy Tax 28 Day Exemption Form to stay at that Transient Lodging facility for a period of at least 28 days. If the Lessee does not honor the Exemption Form and leaves before staying at least 28 days, the Licensee will owe the Transient Lodging Tax for the period the room was occupied. The fact that the guest may have actually stayed 28 or more days is not in itself sufficient to claim exemption from the tax.

SECTION 4. Title 4, Chapter 6, Section 9 of the Elko City Code is hereby amended as follows:

4-6-9: PAYMENT OF TAX, INTEREST AND PENALTIES:

Every licensee shall pay the transient lodging tax to the city clerk on or before the tenth day of the month when such tax shall accrue. Payment of the transient lodging tax shall become delinquent on the ~~sixteenth~~ **eleventh** day of the month. Such tax becomes payable to the city clerk by the licensee pursuant hereto. **All electronic payments must be transmitted and received by the City on or before the tenth day of the month. Mailed payments must be postmarked on or before the tenth day of the month.**

SECTION 5. Title 4, Chapter 6, Section 11 of the Elko City Code is hereby amended as follows:

4-6-11: EXAMINATION OF BOOKS AND RECORDS:

The tax administrator and his duly authorized agent are empowered to examine and audit the books, papers and records of any licensee or person operating a transient lodging rental business and to make investigations in connection therewith. **Audits will cover a three (3) year period. The audit will be conducted at no expense to the Licensee.**

- A. Required Records. Each Licensee is required to maintain daily records which support amounts reported on the Operator's Transient lodging tax returns. Records shall include, but may not be limited to the following minimum information:**

1. Total rooms available and occupied.
2. Receipts, guest folios, registration detail, including the name of the property, name of the guest occupying the room, room number, date paid, dates of occupancy, and breakdown of what was paid for by the guest with Transient Lodging Tax stated separately.
3. Total daily Gross Receipts.
4. A detailed listing of claimed nontaxable/exempt room revenue that include name of guest, room number, dates and amounts paid, and date(s) of occupancy.
5. Total amount of Transient Lodging Tax collected.
6. Number of non-revenue or Complimentary Rooms.
7. Folio and other documentation for all exemptions and adjustments to revenue to include proof of payment directly from governmental entity per Section 4-6-4.
8. Records supporting Complimentary Rooms revenue.
9. Transient Occupancy Tax 28 Day Exemption Forms.
10. Government Exemption Claim Forms.
11. All documentation used to complete the Operator's Transient lodging tax return and retained as backup to the return.

Acceptable methods of maintaining the above list include bound receipt books, guest folios, registration cards, daily transaction reports, general ledgers, cash journals, register and/or computer tapes, computerized records, and any other books and records deemed necessary to complete the Transient Lodging Tax audit. In addition, Licensees shall provide documents that can be used to support revenues and exemptions. Failure to provide adequate documentation supporting transient lodging tax returns may result in revocation, suspension or termination of Business License. All information provided during the course of an audit, including tax returns, audit records, etc., will be kept confidential.

- B. Retention of Records. Every Licensee shall keep all financial records, receipts, invoices, and other pertinent documents as listed and described in Required Records for a period of not less than four (4) years from the close of the accounting year to which the returns relate.
- C. Availability of Records. Upon written notification of a Transient Lodging Tax audit, the Licensee shall provide all records supporting Transient lodging tax returns filed with the City of Elko. These records shall be available to the Room Tax Auditors at the property location or the offices of the City of Elko within ten (10) business days unless other arrangements are made with the City of Elko.

If the Transient Lodging Tax audit is conducted at the property, the Licensee shall provide reasonable accommodations for the Room Tax auditors.

Auditors will make copies or request that the property make copies of original records to be retained as part of the audit work papers which substantiate the audit findings. Records may also be provided electronically either through e-mail, cd or flash drive.

Failure to retain or refusal to furnish such records as described in this section shall not affect the City of Elko's authority to assess a deficiency for such periods. The City may utilize and apply available data to those periods in which records are unavailable.

1. Failure to Cooperate with a Transient Lodging Tax Audit. Upon notification to the City by the Auditor that a Licensee is failing to cooperate with a Transient Lodging Tax Audit, the City Council may terminate, suspend or revoke the Licensee's Business License as outlined in City Code 4-1-14. Failing to cooperate is defined as refusing to provide sufficient information to the auditor in order to conduct the audit.

D. Notice of Audit Determination. Following the completion of a Transient Lodging Tax audit, the Licensee will be advised in writing of the audit findings. The notice may be served personally, by certified mail, and/or e-mail.

E. Time Limitation. If an assessment for underpayment or nonpayment of Transient Lodging Tax is made, the Licensee has thirty (30) calendar days in which to make payment and/or file a written appeal of the findings. If payment and/or written appeal of the assessment is not received within thirty (30) calendar days, the City of Elko shall place a lien against the property. Appeals shall be placed on a City Council agenda for consideration.

Should a credit for overpayment be due, the credit will be refunded within thirty (30) calendar days.

SECTION 6. Title 4, Chapter 6, Section 12 of the Elko City Code is hereby amended as follows:

4-6-12: PENALTIES AND INTEREST:

If the transient lodging tax is not paid on or before the ~~fifteenth~~ **tenth** day of the month in which it becomes due, or if such day falls on a Saturday, Sunday or legal holiday, on the next succeeding day not a Saturday, Sunday or legal holiday, then the licensee shall pay a penalty of fifteen percent (15%) of the unpaid, due and delinquent transient lodging tax, and the licensee shall also pay the costs of collection of the tax, penalty, court costs and attorney fees. If payment of the transient lodging tax is not received within sixty (60) calendar days following the tenth day of the month, the City of Elko shall place a lien against the property. Further action beyond seventy (70) calendar days may include termination, suspension or revocation of the Licensee's Business License as outlined in City Code 4-1-14.

SECTION 7. Title 4, Chapter 6, Section 15 of the Elko City Code is hereby amended as follows:

4-6-15 FORMS, AND COSTS AND REQUIRED REPORTING :

A. The city clerk is hereby empowered and authorized to designate the form of and have prepared or printed all stationery, supplies, records, notices, receipts, licenses and other forms that the city clerk deems necessary or advisable in connection with the collection, administration and disbursement of the proceeds of this transient lodging tax, and to obtain all supplies, records and other property and equipment deemed necessary by the city clerk in connection with the collection, administration, use and disbursement of the said transient lodging tax proceeds. All costs, expenses, charges and debts incurred by the city, or by the city clerk under the provisions of this chapter, in connection with the imposition, collection, administration, use and disbursement of this transient lodging tax and the proceeds thereof shall be paid out of the recreational fund provided for in this chapter.

B. The Licensee shall complete all noted "required information" on transient lodging forms in their entirety. The Licensee may complete all noted "optional information" on transient lodging forms.

SECTION 8. All ordinances or parts of ordinances in conflict herewith are hereby repealed, but only to the extent of such conflict.

SECTION 9. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid, unenforceable or unconstitutional by any court of competent jurisdiction, the invalidity, unenforceability of such section, paragraph, clause or provision shall not affect any remaining provision of this Ordinance.

SECTION 10. Upon adoption, the City Clerk of the City of Elko is hereby directed to have this ordinance published by title only, together with the Councilman voting for or against its passage in a newspaper of general circulation within the time established by law, for at least one publication.

SECTION 11. This Ordinance shall be effective April 1, 2018.

PASSED AND ADOPTED this ____ day of _____, 2018, by the following vote of the Elko City Council.

VOTE:

AYES: _____

NAYES: _____

ABSENT: _____

ABSTAIN: _____

APPROVED this ____ day of _____, 2018.

CITY OF ELKO

By: _____
CHRIS JOHNSON, Mayor

ATTEST:

SHANELL OWEN, City Clerk

**Elko City Council
Agenda Action Sheet**

1. **Title: Review, consideration, and possible initiation for the adoption of the '2018 International Existing Building Code' and possible amendments to related existing City Code sections and/or the model IEBC, and matters related thereto. FOR POSSIBLE ACTION**
2. **Meeting Date: January 09, 2018**
3. **Agenda Category: NEW BUSINESS**
4. **Time Required: 15 Minutes**
5. **Background Information: The Council took action at its meeting on April, 11 2017 directing Staff to adopt the 2018 Building Code. Currently the City has adopted the 2009 Building code. During the 2015 code change cycle the international code council membership voted to delete Chapter 34, Existing Structures, from the 2015 IBC code and reference the *International Existing Building Code* (IEBC). As a result, the City will be required to adopt the International Existing Building Code as a separate model code. The 2015 IEBC contains more extensive provisions than Chapter 34 of the 2009 IBC, such as seismic and energy requirements. Staff will evaluate the appropriateness of the level of adoption and make a recommendation to the Council. JF**
6. **Budget Information:**
 Appropriation Required: N/A
 Budget amount available: N/A
 Fund name: N/A
7. **Business Impact Statement: Not Required**
8. **Supplemental Agenda Information: Agenda Action Sheet Referencing motion made for adoption of 2018 Model Building Codes.**
9. **Recommended Motion: Direct Staff to initiate the adoption of the '2018 International Existing Building Code' and possible amendments to related existing City Code sections and/or the model IEBC.**
10. **Prepared By: Jeff Ford, Building Official**
11. **Committee/Other Agency Review: Scott A. Wilkinson; Assistant City Manager; David Stanton, City Attorney**
12. **Council Action:**
13. **Agenda Distribution:**

**Elko City Council
Agenda Action Sheet**

1. Title: **Discussion and possible direction to Staff to pursue adoption of the 2018 Model Building Codes, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **April 11, 2017**
3. Agenda Category: **UNFINISHED BUSINESS**
4. Time Required: **15 Minutes**
5. Background Information: **At a recent NOBO (Nevada Organization of Building Officials) meeting a proposal was presented to the members to have a statewide adoption of the 2018 Model Building Codes. This would be a combined effort of all jurisdictions to develop common amendments, and have the entire State implementing a common code. The goal is to adopt the 2018 Model Building Codes by July of 2018. TS**
6. Budget Information: **NA**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **NA**
9. Recommended Motion: **Pleasure of the Council for possible preparation for possible adoption of the 2018 Model Building Codes.**
10. Prepared By: **Ted Schnoor, Building Official**
11. Committee/Other Agency Review: **NA**
12. Council Action:
**** A motion was made by Councilwoman Simons, seconded by Councilman Schmidtlein, to direct staff to prepare for possible adoption of the 2018 Model Building Codes.**

The motion passed unanimously. (4-0)
13. Agenda Distribution:

**Elko City Council
Agenda Action Sheet**

1. **Title: Review, consideration, and possible initiation for the adoption of the '2018 International Property Maintenance Code' and possible amendments to related existing City Code sections and/or the model IPMC, and matters related thereto. FOR POSSIBLE ACTION**
2. **Meeting Date: January 9, 2018**
3. **Agenda Category: NEW BUSINESS**
4. **Time Required: 15 Minutes**
5. **Background Information: The Council took action at its meeting on April 11, 2017 directing Staff to adopt the 2018 Building Code. Currently the City has adopted the 2009 Building Code. The 2018 Building Code contains a section entitled "International Property Maintenance Code". Enforcement of this code will require additional staff and training. As a result, Staff is not recommending adoption of this model code. In addition, the adoption process would require a business impact statement. JF**
6. **Budget Information:**
 - Appropriation Required: N/A**
 - Budget amount available: N/A**
 - Fund name: N/A**
7. **Business Impact Statement: Required**
8. **Supplemental Agenda Information: Overview of Code & Additional Information**
9. **Recommended Motion: Pleasure of the Council.**
10. **Prepared By: Jeff Ford, Building Official**
11. **Committee/Other Agency Review: Scott A. Wilkinson, Assistant City Manager; David Stanton, City Attorney**
12. **Council Action:**
13. **Agenda Distribution:**

CODE OVERVIEW

The International Property Maintenance Code (IPMC) establishes minimum requirements for the maintenance of existing buildings through model code regulations that contain clear and specific property maintenance and property improvement provisions. The IPMC is a maintenance document intended to establish minimum maintenance standards for basic equipment, light, ventilation, heating, sanitation and fire safety. Responsibility is fixed among owners, operators and occupants for code compliance. The IPMC provides for the regulation and safe use of existing structures in the interest of the social and economic welfare of the community.

GENERAL REQUIREMENTS

1. **Exterior Property Areas:** Exterior property/premises shall be maintained in a clean, safe and sanitary condition. Grading and drainage shall be maintained to prevent erosion. Sidewalks and driveways, parking spaces and similar areas shall be kept in a proper state of repair. Property shall be maintained free from weeds or excessive plant growth. Premises shall be kept free from rodent harborage and infestation. Assessory structures, fences and walls shall be maintained structurally and in good repair. Motor vehicles that are inoperative or unlicensed shall not be parked, kept or stored on any premises in a state of major disassembly, disrepair, or in the process of being stripped or dismantled (vehicles may only be painted in an approved spray booth).
2. **Swimming Pools, Spas and Hot Tubs:** Pools shall be maintained in clean/sanitary condition/good repair. Private pools, hot tubs and spas enclosures compliance items apply.
3. **Exterior Structure:** Exterior of structures shall be maintained in good repair, structurally sound and sanitary so as not to pose a threat to public health, safety or welfare. This includes insect screens on windows, all windows (except fixed) must be openable and capable of being held in position by window hardware. Roofs shall have no defects, chimney, stairways, decks, porches and balconies, overhang extensions, exterior walls, foundation walls, structural members, premises identification, exterior coverings, doors, basement window guards, building security, hatchways and gates would all be regulated by this code.
4. **Interior Structure:** The interior of a structure and equipment therein shall be maintained in good repair, structurally sound and in a sanitary condition. Occupants shall keep that part of the structure that they occupy or control in a clean and sanitary condition. Every owner of a structure containing a rooming house, housekeeping units, a hotel, a dormitory, two or more dwelling units or two or more nonresidential occupancies, shall maintain, in a clean and sanitary condition, the shared or public areas of the structure and exterior property. This section of the code regulates unsafe conditions, structural members, interior surfaces (including peeling, chipping, flaking, or abraded paint), stairs and walking surfaces, handrails and guards and interior doors.
5. **Component Serviceability:** This section regulates unsafe conditions of components such as concrete, soil, aluminum, masonry, steel and wood.
6. **Handrails and Guardrails:** Existing stairs/guardrails/handrails would have to be maintained to currently IRC/IBC regulations.
7. **Rubbish and Garbage:** This section regulates the accumulation of rubbish or garbage, rubbish disposal, rubbish storage facilities, refrigerators, garbage disposal, garbage

facilities and containers. Leak-proof covered containers for rubbish/garbage (at all times) are some of the requirements of this section.

8. **Pest Elimination:** Structures shall be kept free from insect and rodent infestation. All insects/rodents have to be exterminated by approved processes that are not injurious to human health. The owner shall be responsible for pest elimination within the structure prior to renting or leasing the structure. The occupant of a one-family dwelling or of a single-tenant nonresidential structure shall be responsible for pest elimination on the premises. The same applies for multiple occupancy dwelling units.

LIGHT, VENTILATION AND OCCUPANCY LIMITATIONS

Provisions in this section regulate light and ventilation requirements. The owner of the structure shall be responsible for providing and maintaining light, ventilation and space conditions in compliance with these requirements. A person shall not occupy as owner-occupant, or permit another person to occupy and premises that do not comply with the requirements. This section requires spaces to be maintained to more modern codes. This includes habitable spaces, common halls and stairways, bathing and toilet rooms, cooking facilities, and other spaces. Minimum room widths and heights and occupancy limits would be enforceable.

PLUMBING FACILITIES AND FIXTURE REQUIREMENTS

Minimum plumbing systems, facilities and plumbing fixtures shall be governed under this code. The owner of the structure shall provide and maintain such plumbing facilities and plumbing fixtures in compliance with the requirements. A person shall not occupy as owner-occupant or permit another person to occupy any structure or premises that does not comply with the requirements. Required facilities would be enforced for existing dwelling units, rooming houses, hotels, employees' facilities, drinking facilities and public toilet facilities. Water systems, sanitary drainage system and storm drainage compliance items are also covered in this code.

MECHANICAL AND ELECTRICAL REQUIREMENTS

Minimum mechanical and electrical facilities and equipment shall be governed by this code. The owner of the structure shall provide and maintain mechanical and electrical facilities and equipment in compliance with the requirements. A person shall not occupy as owner-occupant or permit another person to occupy any premises that does not comply with the requirements of this code. Heating facilities shall be regulated for residential occupancies and occupiable work spaces. Minimum temperatures of 68 degrees Fahrenheit in all habitable rooms, bathrooms and toilet rooms (excluding exceptions) shall be maintained from dates set by jurisdiction for residential occupancies. Minimum temperatures of 65 degrees Fahrenheit in all indoor occupiable work spaces shall be maintained from dates set by jurisdiction for residential occupancies. Mechanical equipment, appliances, fireplaces, solid fuel-burning appliances, cooking appliances and water heating appliances shall be properly installed and maintained in a safe working condition, and shall be capable of performing the intended function. Electrical facilities shall be provided in every occupied building in compliance with this code. Electrical equipment, wiring and appliances shall be properly installed and maintained in a safe and approved manner. Conditions are set forth for receptacles, luminaires and wiring. Elevators, escalators and dumbwaiters are regulated in this code. Duct systems shall be maintained free of obstructions and shall be capable of performing the required function.

FIRE SAFETY REQUIREMENTS

Minimum conditions and standards for fire safety relating to structures and exterior premises, including fire safety facilities and equipment provisions apply. A safe, continuous and unobstructed path of travel shall be provided. Means of egress shall comply with the International Fire Code. Aisles, locked doors and emergency escape openings requirements apply. Fire-resistance rating provisions such as fire-resistance-rated assemblies, unsafe conditions, maintenance, fire blocking and draft stopping, smoke barriers and partitions, fire walls, fire barriers and fire partitions shall apply. Fire detection, alarm and extinguishing systems, mechanical smoke exhaust systems, and smoke and heat vents shall be maintained in accordance with the International Fire Code in an operative condition at all times, and shall be replaced or repaired where defective. Multiple provisions/requirements pertaining to these items are outlined in this code. Provisions are in place for carbon monoxide alarms and detection.

ENFORCEMENT or IMPACT:

This code would be enforced by a *code official*.

Fees and administrative provisions would need to be established and adopted for violations and administration of the codes.

Pros

General safety and health of the population against unsafe conditions/environments. Property value increase may be expected. Regulation and enforcement of existing codes to existing properties/premises. Improvement of living conditions to owners/lessee's/visitors. Accessibility and fire/life safety improvements to existing property and premises.

Cons

The owner of the premises shall maintain the structures and exterior property in compliance with these requirements. Vacant structures and premises thereof or vacant land shall be maintained in clean, safe, secure and sanitary condition as provided herein so as not to cause a blighting problem or adversely affect the public health or safety. This would entail costs to the premise owner and could cause a monetary hardship to property owners. There would be a cost to the City of Elko for additional personnel to enforce the provisions of this code.

Code Outline/Table of Contents

Before applying the requirements of the IPMC it may be beneficial to understand its arrangement and format. The IPMC, like other codes published by ICC, is arranged and organized to follow sequential steps that generally occur during an inspection. The IPMC is divided into eight different parts:

Chapter 1 Scope and Administration: This chapter contains provisions for the application, enforcement and administration of subsequent requirements of the code. In addition to establishing the scope of the code, Chapter 1 identifies which buildings and structures come under its purview. Chapter 1 is largely concerned with maintaining 'due process of law' in enforcing the property maintenance criteria contained in the body of the code. Only through careful observation of the administrative provisions can the building official reasonably expect to demonstrate that "equal protection under the law" has been provided.

Chapter 2 Definitions: Where understanding of a term's definition is especially key to or necessary for understanding of a particular code provision the term is shown in italics. This is true only for those terms that have a meaning that is unique to the code.

Chapter 3 General Requirements: Chapter 3, 'General Requirements,' is broad in scope. It includes a variety of requirements for the exterior property areas as well as the interior and exterior elements of the structure. This chapter provides requirements that are intended to maintain a minimum level of safety and sanitation for both the general public and the occupants of a structure, and to maintain a building's structural and weather-resistance performance. Chapter 3 provides specific criteria for regulating the installation and maintenance of specific building components; maintenance requirements for vacant structures and land; requirements regulating the safety, sanitation and appearance of the interior and exterior of structures and all exterior property areas, accessory structures; vehicle storage regulations and establishes who is responsible for complying with the chapter's provisions. This chapter also contains the requirements for swimming pools, spas and hot tubs and the requirements for protective barriers and gates in these barriers. Chapter 3 establishes the responsible parties for exterminating insects and rodents, and maintaining sanitary conditions in all types of occupancies.

Chapter 4 Light, Ventilation and Occupancy Limitations: The purposes of Chapter 4 are to set forth these requirements in the code and to establish the minimum environment for occupiable and habitable buildings, by establishing the minimum criteria for light and ventilation and identifying occupancy limitations including minimum room width and area, minimum ceiling height and restrictions to prevent overcrowding. This chapter also provides for alternative arrangements of windows and other devices to comply with the requirements for light and ventilation and prohibits certain room arrangements and occupancy uses.

Chapter 5 Plumbing Facilities and Fixture Requirements: Chapter 5 establishes the minimum criteria for the installation, maintenance and location of plumbing systems and facilities, including the water supply system, water heating appliances, sewage disposal system and related plumbing fixtures. Sanitary and clean conditions in occupied buildings are dependent upon certain basic plumbing principles, including providing potable water to a building, providing the basic fixtures to effectively utilize that water and property removing waste from the building. Chapter 5 establishes the minimum criteria to verify that these principles are maintained throughout the life of a building.

Chapter 6 Mechanical and Electrical Requirements: The purpose of Chapter 6 is to establish minimum performance requirements for heating, electrical and mechanical facilities and to establish minimum standards for the safety of these facilities. This chapter establishes minimum criteria for the installation and maintenance of the following: heating and air-conditioning equipment, appliances and their supporting systems; water heating equipment, appliances and systems; cooking equipment and appliances; ventilation and exhaust equipment; gas and liquid fuel distribution piping and components; fireplaces and solid fuel-burning appliances; chimneys and vents; electrical services; lighting fixtures; electrical receptacle outlets; electrical distribution system equipment, devices and wiring; and elevators, escalators and dumbwaiters.

Chapter 7 Fire Safety Requirements: The purpose of Chapter 7 is to address those fire hazards that arise as the result of a building's occupancy. It also provides minimum requirements for fire safety issues that are most likely to arise in older buildings. This chapter contains requirements for means of egress in existing buildings, including path of travel, required egress width, means of egress doors and emergency escape openings. Chapter 7 establishes the minimum requirements for fire safety facilities and fire protection systems, as these are essential fire safety systems.

Chapter 8 Referenced Standards: The code contains numerous references to standards that are used to regulate materials and methods of construction. Chapter 8 contains a comprehensive list of all standards that are referenced in the code. The standards are part of the code to the extent of the reference to the standard. Compliance with the referenced standard is necessary for compliance with this code. By providing specifically adopted standards, the construction and installation requirements necessary for compliance with the code can be readily determined. The basis for code compliance is, therefore established and available on an equal basis to the code official, contractor, designer and owner.

Chapter 8 is organized in a manner that makes it easy to locate specific standards. It lists all of the referenced standards, alphabetically, by acronym of the promulgating agency of the standard. Each agency's standards are then listed in either alphabetical or numeric order based upon the standard Identification. The list also contains the title of the standard; the edition (date) of the standard referenced; any addendums included as part of the ICC adoption; and the section or sections of this code that reference the standard.

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and discussion for the appointment of one (1) new member to the Parks and Recreation Advisory Board, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **NEW BUSINESS**
4. Time Required: **5 Minutes**
5. Background Information: **Council authorized Staff to advertise for one (1) open position on the Parks and Recreation Advisory Board at a previous meeting in early 2017. Since then, Staff has received three letters of interest from Ms. Katie Archuleta, Mr. Christopher Kentopp, and Ms. Amber Fox. All have expressed a desire to serve as a member on the Board. The appointment will be for the remainder of the vacant term through June 30, 2019. JW**
6. Budget Information:
 Appropriation Required: **N/A**
 Budget amount available: **N/A**
 Fund Name: **N/A**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **Letters of Interest from Ms. Katie Archuleta, Mr. Christopher Kentopp, and Ms. Amber Fox**
9. Recommended Motion: **Pleasure of the Council. Appoint either candidate to serve on the Parks and Recreation Advisory Board for remainder of the vacant term through June 30, 2019.**
10. Prepared By: **James Wiley, Director of Parks and Recreation**
11. Committee/Other Agency Review:
12. Council Action:
13. Council Agenda Distribution: **Ms. Katie Archuleta**
 karchuleta@elkocitynv.gov

 Mr. Christopher Kentopp
 cj.kentopp@gmail.com

 Ms. Amber Fox
 Amberfox11@gmail.com

December 14, 2017

James Wiley

Park & Recreation Department

723 Railroad Street

Elko, NV 89801

Dear James,

I am writing to express my desire to volunteer for Parks & Recreation Advisory Board. I believe I would be a great candidate for this position. I offer the ability to serve the term. I have been involved in Elko for over 20 years. I am willing to meet and conduct such appointments of the Advisory Board and Nevada Open Meeting Law.

I believe my perspective offers this position a fresh forward approach. My willingness to be of service with over 20 year in customer relations. I enjoy being engaged in new and pioneering projects. I excel in organizing and paying attention to detail.

I would be an asset as a volunteer because of my personal interest.

Sincerely,

Katie Archuleta

To whom it may concern:

I am interested in the vacant position currently open with the Parks and Rec. I feel like I would be a good addition to the board with all the previous experience I have being involved in Parks and Recreational Programs since I was a youth.

My past has sports all around it, starting at the age of 4 when I participated in my first triathlon with the Ironkids. I wish I had photos of me back then, I'm sure they are covered in dust in my mother's attic right now. After that, I played soccer, t-ball and baseball for Elk Grove Park and Rec. I fell in love with baseball when I figured out my hand-eye coordination, I'm not much of a runner, with soccer, there's definitely a lot of that. Looking back, I should have tried soccer again, it's a sport i love playing with my children. As I learned the sport of baseball, I became a fanatic. The San Francisco Giants are my team. Growing up watching Barry Bonds and JT Snow crush home runs, Jeff Kent turn doubles that looked like magic before he turned in the orange and black for blue and white. I never got to attend any games at Candlestick, but the games I have attended at ATT Park are that much sweeter. As I grew up, I was constant pick for the All Star teams that got to play on the 4th of July at our local parks. Nothing beat the heat of the day with a huge Slurpee and hot dog from 7Eleven after the games, then lighting sparklers for all the neighbors in my dirty uniform. At the age of 10, I started swimming competitively with a local US swim team. I continued swimming until I was 18. It was an experience worth being a part of. Getting to travel around the state for meets was exhilarating. On occasion, my team would have a team campground during the summer months. Singing songs and eating s'mores after a day in the sun was killer. In high school, I swam on the Franklin High School team, I went to Sections all four years. Sections was the district's meet for all the hot times in each event. I also played water polo in the fall, but it was more for fun. The school didn't have that many swimmers who could take a punch to the face, if you know what I'm saying. Water polo can be a brutal sport. The worst injury I ever got was a cut to my cornea of my right eye. It could have been worse if the referees didn't enforce the short finger and toe nails. I still have a scar to prove it.

After high school, the only sport I played was setting up a men's softball team for a Elk Grove Parks and Rec. Managing a team of serious misfits was educating. I hadn't met with any of them before and ended up with a team that was organized from the Free Agent list the league had provided me.

After having children, I always wanted to coach, but at the time, work had me too far from home to make it to any practice or games. Now that my family is in Elko, I can't wait to start coaching my children. My daughter is the only one old enough to participate, but I see my boys itching to chase down a ball.

As for my contributions towards being on a council, i don't know what to expect. It would be a learning experience at first, no doubt. I don't have a perfect memory, but one thing I've learned from school is how to take good notes. Hopefully that can contribute towards the overall direction of the council.

Christopher Kentopp

AMBER FOX



AMBERMFOX11@GMAIL.COM



775-397-3003

1231 2ND STREET
ELKO, NV 89801

**ELKO CITY COUNCIL
CITY OF ELKO PARKS AND RECREATION
1751 COLLEGE AVENUE
ELKO, NV 89801**

Dear Elko City Council,

I am writing to express my interest in the vacancy on the Elko Parks and Recreation Committee. I have lived in the Elko area for 20+ years, and I care greatly for our community. Like many members of the community, my friends and family utilize and enjoy the various parks and recreational facilities in our area. I would like to be able to contribute to ensuring these amenities continue to enhance the experiences of our community members.

As a long-time resident in our area, I enjoy giving back to my community. I have served on the board for Soroptimist International of Elko as Secretary and Treasurer. In addition, I currently serve on the Advisory Board for Communities in Schools of Northeastern Nevada. I have taught Junior Achievement at Elko High School, as well as participated in Elko High School's Junior Career Interviews Program.

I have worked for Nevada State Bank for the past 10 years, serving various roles for the Corporate Banking Group.

I believe I can bring valuable and unique perspective to the committee.

I thank you for your time and consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Amber Fox'.

Amber Fox

1231 2nd Street
Elko, NV 89801
775-397-3003
ambermfox11@gmail.com

AMBER FOX

OBJECTIVE I wish to provide valuable and efficient support to the City of Elko Parks and Recreation Committee. I like to be part of a highly productive, dynamic team that is able to successfully execute tasks/projects.

SKILLS & ABILITIES

- Proficient in Microsoft Word, Excel and Outlook
- Analyzing financial data and making informed decisions
- Analyzing risk and making recommendations
- Good written and oral communication skills
- Highly organized and ambitious
- Customer service and problem solving
- Type 100+ WPM

EXPERIENCE **RELATIONSHIP MANAGER – VP, NEVADA STATE BANK**

July 2016 – Current

Managing existing commercial loan portfolio and associated risks. Networking to bring in new business. Training and managing under-staff to build team strength. Supporting Ag Lending team in underwriting and loan portfolio management. Managing and keeping reports updated with accurate/current information.

ASSISTANT RELATIONSHIP OFFICER – AVP, NEVADA STATE BANK

June 2010 – July 2016

Responsible for evaluating, analyzing and forming opinions for the approving or denying of business banking and/or commercial loan applications according to business unit standards. Gathering information as necessary to make sound decisions. Ensuring credit requests are processed in accordance with bank policies. Responding to internal and external customer inquiries while performing other duties as necessary to support the goals and objectives of the department and business unit. Seeing loan applications through the process in its entirety. Monitoring and reporting on Ag budget variances on a monthly basis. Partnering with the Farm Service Agency for government guaranteed loan requests.

Received reward within the Bank for "Development – Living Core Values"

COMMERCIAL LENDING ASSISTANT, NEVADA STATE BANK

January 2008 – June 2010

Responsible for receiving and processing loan applications, financial documents, entity documents and file organization. Preparing loan files and packages for loan signings. Preparing various tracking reports for loan officers.

TRAFFIC/BILLING MANAGER, HOLIDAY BROADCASTING

September 2004 – January 2008

Responsible for receiving and processing Insertion orders and scheduling commercials for two radio stations. Tracking of accounts receivable, reconciling accounts and handling collections. Producing basic radio ads, voiced and music added.

EDUCATION GREAT BASIN COLLEGE – ELKO, NV / FALL 2015

Accounting and Business Management classes

NEVADA STATE BANK– ELKO, NV / 2010-CURRENT

Various lending related courses offered through the Bank

Farmer Mac seminars

Business Writing/Communication

Leadership seminars with Rena Hanks

SPRING CREEK HIGH SCHOOL – SPRING CREEK, NV / 2000-2003

Diploma

LEADERSHIP I currently serve on the Advisory Board for Communities in Schools of Northeastern Nevada.

I previously participated in the Colleague Companion Program at Nevada State Bank. This is a program that was implemented for new hires and employee retention.

I previously served on the board for Soroptimist International of Elko as Secretary from September 2013-2014 and as Treasurer from September 2014 through 2015.

EXTRACURRICULAR JDRF Ride for the Cure - bike ride in Death Valley, CA – fundraising for Juvenile Diabetes

American Diabetes Foundation Tour de Cure - bike ride in Utah – fundraising for Juvenile Diabetes

REFERENCES AVAILABLE UPON REQUEST

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible action to accept a petition for annexation of property to the City, filed and processed as Annexation No. 3-17 by Swire Coca-Cola, Inc, consisting of approximately 3 acres of property located on the north side of West Idaho Street, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **PETITION**
4. Time Required: **10 Minutes**
5. Background Information:
6. Budget Information:
 Appropriation Required: **N/A**
 Budget amount available: **N/A**
 Fund name: **N/A**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **Application and Map**
9. Recommended Motion: **Pleasure of the Council**
10. Prepared By: **Cathy Laughlin, City Planner**
11. Committee/Other Agency Review:
12. Council Action:
13. Agenda Distribution: **Swire Coca-Cola, USA
Attn. Mr. Dan Reid
12634 South 265 West
Draper, UT 84020**



CITY OF ELKO
DEVELOPMENT DEPARTMENT
1755 COLLEGE AVENUE
ELKO, NEVADA 89801
(775)777-7210
(775)777-7219 FAX

To: City Council
From: Jeremy Draper, Development Department
Copy: Planning Department
Date: December 27, 2017
Re: Annexation Petition 3-17, Swire Coca Cola

BACKGROUND INFORMATION:

1. The petition includes that portion of APN 006-09G-036 lying approximately 3,100' east of Idaho Street and Interstate 80 containing more or less 3.00 acres of land.
2. The area is not identified as having annexation potential as shown in the adopted Development Feasibility, Land Use, Water Infrastructure, Sanitary Sewer Infrastructure, Transportation Infrastructure and Annexation Potential Report dated November 2012. However this should not exclude the area for consideration for annexation.
3. The area fronts W. Idaho Street.
4. A project in which developers will extend City water to the edge of the property has been approved and is expected to be constructed in the spring of 2018. The property lies within the 5400 water service zone. City sewer does not exist in this area, however preliminary design has been completed by the City of Elko Engineering Department, the development would be required to install a dry sewer until such time as a force main is install to provide sewer services to this area of the City.
5. Other non-city utilizes are located in the immediate area.
6. The area was included in the land use component of the master plan showing the area as Highway Commercial. A recommendation from the Planning Commission was made at their December 5, 2017 meeting to modify the Land Use Map in this area to an Industrial Business Park Land Use due to the use of the existing facilities.
7. The applicant has submitted a rezone application for a Light Industrial Zone.
8. The proposed annexation appears logical and orderly.

RECOMMENDATION:

1. Accept the petition for annexation 3-17, to include APN 006-09G-036 and refer the matter to the Planning Commission for further consideration and recommendation to the City Council.



CITY OF ELKO

Planning Department

Website: www.elkocity.com
Email: planning@ci.elko.nv.us

1751 College Avenue • Elko, Nevada 89801 • (775) 777-7160 • Fax (775) 777-7119

Memorandum

To: City Council
From: Cathy Laughlin –City Planner
Date: December 20, 2017
Meeting Date: Tuesday, January 9, 2018

Agenda Item:

1. Review, consideration, and possible action to accept a petition for annexation of property to the City, filed and processed as Annexation No. 3-17 by Swire Coca-Cola, Inc, consisting of approximately 3 acres of property located on the north side of West Idaho Street, and matters related thereto. **FOR POSSIBLE ACTION**

Additional Information:

1. The area is identified as having annexation potential.
2. The area fronts West Idaho Street and is approximately 3 acres.
3. The property is currently developed within the County as Swire Coca-Cola.
4. The property owner has entered into an agreement with Golden Gate on the water line extension to the property so the property can be served with City of Elko water and will abandon their existing well.
5. The property owner is planning an expansion to the building and will provide dry sewer along the frontage as well as the new water line. City sewer does not exist in this area, however preliminary design has been completed by the City of Elko Engineering Department.
6. The existing property is in conformance with the Master Plan Transportation document.
7. In conjunction with the annexation, the property owner has applied for a rezone for the property to be Light Industrial which will be in conformance with the Master Plan Land Use document after finalization of the current amendment.
8. The property is not in a flood zone.
9. The property is located outside the 30 year wellhead protection.
10. The proposed annexation appears logical and orderly. The area is identified as having annexation potential

Staff Recommendation:

Approve the petition for annexation 3-17 by Swire Coca-Cola and refer the matter to the Planning Commission for further consideration and recommendation to the City Council.


Cathy Laughlin
City Planner

RECEIVED

DEC 19 2017

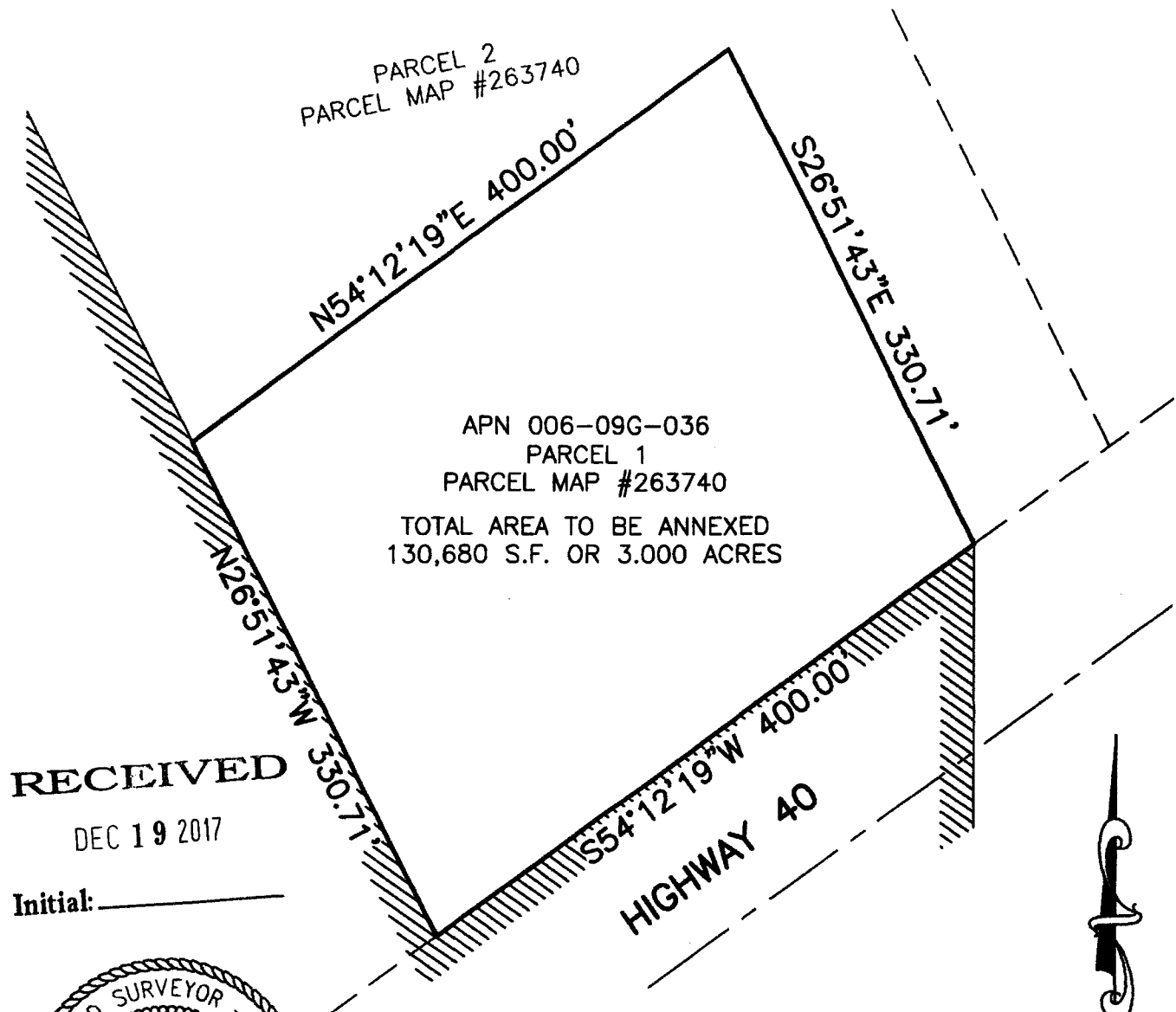
Initial: _____

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of Elko, described as follows:

Parcel 1 as shown on that certain Parcel Map for Frances Adeline Warmbrodt filed in the office of the County Recorder of Elko County, State of Nevada, on October 12, 1988, as File No. 263740, as amended by Certificate recorded January 23, 1989, being a portion of Sections 19 and 20, Township 34 North, Range 55 East, M.D.B.&M..

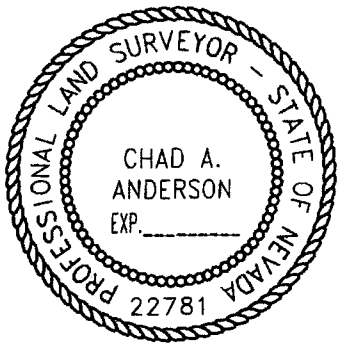
AREA TO BE ANNEXED TO THE CITY OF ELKO



RECEIVED

DEC 19 2017

Initial: _____



LEGEND

- — — — — = ROAD CENTERLINE
- - - - - = ADJOINING PROPERTY
- = AREA TO BE ANNEXED
- ▨▨▨▨▨▨ = EXISTING ELKO CITY LIMITS



**Reeve
& Associates, Inc.**

5160 S 1500 W, RIVERDALE, UTAH 84405
 TEL: (801) 621-3100 FAX: (801) 621-2666 www.reeve-associates.com
 LAND PLANNERS • CIVIL ENGINEERS • LAND SURVEYORS
 TRAFFIC ENGINEERS • STRUCTURAL ENGINEERS • LANDSCAPE ARCHITECTS

Project Info.

Designer: N. ANDERSON
 Date: 12-5-17
 Name: ANNEXATION
 Number: 4805-12
 Scale: 1"=100'



CITY OF ELKO PLANNING DEPARTMENT

1751 College Avenue * Elko * Nevada * 89801


(775) 777-7160 * (775) 777-7119 fax

APPLICATION FOR ANNEXATION

The applicant (100% of all property owners) hereby petitions the Elko City Council to annex to the City of Elko certain real property by ordinance, to be adopted pursuant to NRS 268.670. Said property petitioned for annexation is legally described as follows: (Attach if necessary)
(See Attachment)

ASSESSOR PARCEL NUMBER (S): Parcel 1, APN 006-09G-036, Map # 263740
(This is not the legal description)

PROPERTY OWNERS: (Attach additional pages if necessary)

Swire Coca-Cola, USA		801.816.5760
(Print Name)	Signature	Telephone Number
12634 South 265 West, Draper, UT 84020		
Mailing Address		

(Print Name)	Signature	Telephone Number
Mailing Address		

(Print Name)	Signature	Telephone Number
Mailing Address		

RECEIVED

DEC 19 2017

Initial: _____

FILING REQUIREMENTS:

Complete Application Form: In order to begin processing the application, an application form must be complete and signed. Applications go before the City Council, Planning Commission, and back to City Council twice, and will take a minimum of 8 weeks.

Fee: 10 acres or less \$500.00, greater than 10 acres through 50 acres \$750.00, greater than 50 acres \$1,250.00. The filing fee shall be paid in full prior to consideration of the annexation request by the Planning Commission.

Annexation Map: An annexation map or record of survey of the area proposed for annexation provided by a properly licensed surveyor. Such map shall include the proposed acreage to be annexed, and the length and percentage of common boundary (at least 15%) with the corporate limits of the City. If the property abuts a road not already in the City limits, at least one half of the road must be included in the map and legal description (see N.R.S. 268.663).

Legal Description: A complete legal description of all property proposed for annexation.

Plot Plan: If the property is improved, a surveyed plot plan showing property lines, existing buildings, building setbacks, parking and loading areas and any other pertinent information.

Note: One .pdf (email is okay) of the entire application must be submitted, as well as one set of legible, reproducible plans 8 1/2" x 11" in size. If the applicant feels the Commission needs to see 24" x 36" plans, 10 sets of pre-folded plans must be submitted.

Other Information: The applicant is encouraged to submit other information and documentation to support this Annexation request

1. Identify the existing zoning classification of the property: Highway Commercial
2. Identify the zoning classification being requested upon annexation: Light Industrial
(A separate zone change application must be submitted for the requested classification.)
3. Explain in detail the type and nature of the use anticipated for the property.
Beverage distribution center. Product is delivered to this location from regional bottling plants and suppliers,
warehoused in this location, then distributed to local stores, restaurants, etc.
4. Identify any unique physical features or characteristics associated with the property.
None known.

5. Identify the type and extent of City infrastructure anticipated for service to the property such as streets, sewer, and water service.

City waterline extension to serve the property is in progress.

"Sheep Trail and West Idaho Street Water Main Extension"

6. Identify any water rights which will support the annexed property: None

(Use additional pages if necessary to address questions 3 through 6)

By My Signature below:

☒ I consent to having the City of Elko Staff enter on my property only for the sole purpose of inspection said property as part of this application process.

☐ I object to having the City of Elko Staff enter onto my property as a part of their review of this application. (Your objection will not affect the recommendation made by the staff or the final determination made by the City Planning Commission or the City Council.)

☒ I acknowledge that submission of this application does not imply approval of this request by the City Planning Department, the City Planning Commission and the City Council, nor does it in and of itself guarantee issuance of any other required permits and/or licenses.

☒ I acknowledge that this application may be tabled until a later meeting if either I or my designated representative or agent is not present at the meeting for which this application is scheduled.

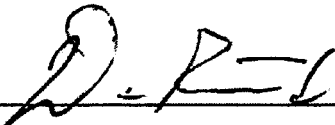
☒ I have carefully read and completed all questions contained within this application to the best of my ability.

Applicant / Agent Dan Reid, Swire Sr. Manager For Construction
(Please print or type)

Mailing Address 12634 South 265 West
Street Address or P.O. Box
Draper, UT, 84070
City, State, Zip Code

Phone Number: 801.816.5760

Email address: dreid@swirecc.com

SIGNATURE: 

FOR OFFICE USE ONLY

File No.: 3-17 Date Filed: 12/19/17 Fee Paid: _____

**Elko City Council
Agenda Action Sheet**

1. Title: **Ratification of the Police Chief issuing a 30-day temporary Retail Liquor License and Caterer's Liquor License and issuing a regular Retail Liquor License and Caterer's Liquor License to Mai Burrows, Jaden Enterprises, LLC dba Cowboys, located at 442 Idaho Street, Elko, NV 89801, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **PETITION**
4. Time Required: **5 Minutes**
5. Background Information:
6. Budget Information:
 Appropriation Required: **N/A**
 Budget amount available: **N/A**
 Fund name: **N/A**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **A Letter from Police Chief Ben Reed**
9. Recommended Motion: **Ratify a 30-day temporary Retail Liquor License and Caterer's Liquor License and issue a regular Retail Liquor License and Caterer's Liquor License to Mai Burrows, Jaden Enterprises, LLC dba Cowboys, located at 442 Idaho Street, Elko, NV 89801.**
10. Prepared By: **Ben Reed, Jr., Police Chief**
11. Committee/Other Agency Review:
12. Council Action:
13. Council Agenda Distribution: **Mai Burrows**
 dannyhoang@yahoo.com
 1705 Sequoia Drive
 Elko, Nevada 89801



ELKO POLICE DEPARTMENT

Ben Reed, Jr.
Police Chief

1448 Silver Street
Elko, Nevada 89801
775.777.7310
775.738.1415 Fax
www.elkocity.com

DATE: December 14, 2017
TO: Curtis Calder, City Manager
FROM: Ben Reed, Jr., Police Chief *BR*
SUBJECT: Retail Liquor License and Caterer's Liquor License Application in the name of Jaden Enterprises, LLC dba Cowboys, located at 442 Idaho Street, Elko, Nevada 89801

On December 4, 2017, Mai Burrows made application for a Retail Liquor License and Caterer's Liquor License in the name of Jaden Enterprises, LLC dba Cowboys, located at the above address.

Ms. Burrows has successfully completed the required background investigation.

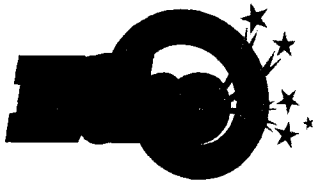
I am requesting the Elko City Council approve the request for a Retail Liquor License and Caterer's Liquor License Application in the name of Jaden Enterprises, LLC dba Cowboys, located at 442 Idaho Street, Elko, Nevada 89801.

BR/tle

CC: Mayor Chris Johnson

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible adoption of Resolution No. 01-18, a resolution of the Elko City Council amending the Elko City Master Plan Acknowledgments, Land Use and Transportation components, and the Land Use and Transportation Atlas Maps #5, #6, #8 & #12, filed as Elko City Master Plan Amendment No. 1-17, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **PUBLIC HEARING**
4. Time Required: **15 Minutes**
5. Background Information: **On December 5, 2017, the Planning Commission adopted its Resolution No. 1-17 to amend the Acknowledgments, Land Use and Transportation components, and the Land Use and Transportation Atlas Maps #5, #6, #8 & #12 of the current Elko City Master Plan, and also took action to recommend Council adopt said amendment via a resolution. An amendment of this type requires positive action by both the Planning Commission and the Council. If the Council suggests any changes to the Master Plan amendment as adopted by the Planning Commission, the Master Plan must first go back to the Planning Commission for review and approval. CL**
6. Budget Information:
 Appropriation Required: **N/A**
 Budget amount available: **N/A**
 Fund name: **N/A**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **Resolution, P.C. Action Report, P.C. Resolution and related correspondence**
9. Recommended Motion: **Adopt Resolution No. 01-18**
10. Prepared By: **Cathy Laughlin, City Planner**
11. Committee/Other Agency Review: **Planning Commission, Legal Review**
12. Council Action:
13. Agenda Distribution:



CITY OF ELKO

Planning Department

Website: www.elkocitynv.gov
Email: planning@elkocitynv.gov

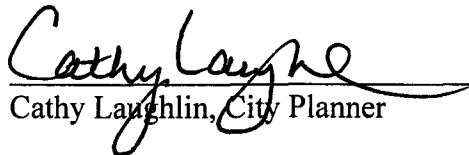
1751 College Avenue • Elko, Nevada 89801 • (775) 777-7160 • Fax (775) 777-7219

CITY OF ELKO PLANNING COMMISSION ACTION REPORT Regular Meeting of December 5, 2017

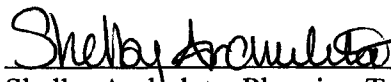
WHEREAS, the following item was reviewed and considered by the Elko City Planning Commission on December 5, 2017 under Public Hearing format in accordance with notification requirements contained in NRS 278.210 and Elko City Code Section 3-4-12 A.:

Resolution 1-17, containing amendments to the Acknowledgments, Land Use and Transportation components, and the Land Use and Transportation Atlas Maps #5, #6, #8 & #12 of the City of Elko Master Plan, and matters related thereto.

WHEREAS, the Planning Commission, upon review and consideration of the supporting data, public input and testimony, adopt Resolution No. 1-17 and forward a recommendation to City Council to adopt the amendment via a resolution.


Cathy Laughlin, City Planner

Attest:


Shelby Archuleta, Planning Technician

CC: Jeremy Draper, Development Manager (via email)
Shanell Owen, City Clerk

ELKO MASTER PLAN UPDATE – 2017
CROSS-REFERENCING TABLE

CURRENT MASTER PLAN	MASTER PLAN UPDATE 2017
ACKNOWLEDGMENTS	
Pg 1 No additional references	Updated to include the Airport Master Plan and Development Report
LAND USE DOCUMENT	
Pg. 2 & 3 City of Elko existing zoned acreage	Updated to allow for new valued determined by GIS and population
Pg. 4 Residential as a percentage of city's total land use	Updated to allow for new value determined by GIS
Pg. 4 Lowlands, Upper and Lower Foothills	Updated to reflect current development
Pg. 6 Commercial use as a percentage of city's total land use	Updated to allow for new value determined by GIS
Pg. 7 Police Station location on College Avenue	Updated to new location on Silver Street
Pg. 9 Industrial as a percentage of city's total land use	Updated to allow for new value determined by GIS, reflect new development, added exit 298
Pg. 9 Northeastern Nevada Rail port	Removed the reference as new, reference to jobs and economy
Pg. 9 Airport	Added paragraph to reflect new Airport Master Plan
Pg. 10 Vacant Land	Updated to reflect current development
Pg. 11 Total acres within boundary	Updated to allow for new value determined by GIS
Pg. 11 Railroad acquisition	Updated to state the city continues to work with UP on the property
Pg. 12, 13 & 14 Water and Sewer	Updated by Utility Director
Pg. 14 Neighborhood map to be revised	Updated with new map
Pg. 15 Indian Colony expansion	Updated with current data
Pg. 15 Northeast Neighborhood	Updated with current data
Pg. 18 Southwest Neighborhood	Updated with current data
Pg. 18 Land Use corresponding districts	Updated to state must conform with NRS and Master Plan
Pg. 19-23 Land Use corresponding districts	Added conformance with ECC and master plan
Pg. 19 Low Density	Changed to less than 4 units per acre
Pg. 19 Medium Density	Updated to add RO, RB, RMH-2 and RMH-3
Pg. 19 Medium Density	Changed to 4-8 units per acres
Pg. 20 High Density	Removed Proposed New Multifamily zoning district
Pg. 20-21 General Commercial & Highway Commercial	Added IC Industrial Commercial
Pg. 21 Downtown Mixed Use	Removed proposed new downtown mixed use district
Pg. 22 Business Park Industrial	Added IC Industrial Commercial

CURRENT MASTER PLAN	MASTER PLAN UPDATE 2017
Pg. 21-22 Neighborhood Mixed Use	Removed proposed new Neighborhood mixed use district
Pg. 25 Best Practice 1.1	Updated to reflect development and city code
Pg. 27 Best Practice 1.3 Coordination of Land Use	Updated to maintain hierarchy of City's roadways
Pg. 28 Best Practice 1.3	Traffic along major arterials
Pg. 30 Downtown Elko	Updated to reflect redevelopment efforts
Pg. 34 Public Art	Added Centennial boot project paragraph and Centennial Park
Pg. 35 Downtown Corridor Plan	Update with the 30% approved plan
Pg 36 Utilities and Public infrastructure	Updated with recent information
Pg. 37 Best Practice 4.2	Remove reference to multi-family zoning district that doesn't exist
Pg. 44 Annexation map	Updated with current data
Pg. 49 Neighborhood Commercial Areas	Added East and West Jennings Way
Pg. 50 Mountain City Highway Area	Updated with data determined by GIS
Pg. 51 Jennings Way, Idaho Street Commercial Area	Updated with current data
Pg. 51 Hospital area	Updated with current data
Pg. 53 Best practice 7.2	Updated with current data
Pg. 55 TDR and PDR program	Removed all references
TRANSPORTATION DOCUMENT	
Pg 4-Interstate Right of Way 100 ft	400 ft
Pg 6	Description of Rural Roadway paragraph added
Pg. 6 Major arterials	Added Silver Street, Idaho Street to 5 th Street
Pg 7, Industrial/Commercial Collector	Statice St. Ruby Vista to Delaware
Pg 8. Residential Collector	Mittry Ave (Chris Ave to College Parkway)
Pg 8 Spruce Road between 5 th St and Mittry Ave	Spruce Road between 5 th St and Jennings Way
Table 3 Historic Traffic Volumes, 2000-2008	Update to be 2007-2015
Table 4 Roadway LOS	Updated based on new AADT values
Pg. 15, Elko Area Transit	Greater Elko Transit (GET) my ride service
Pg. 24 Mixed use/Main street cross section	Minor Arterial angled parking to 105'
Pg. 27 Setback in code	Eliminated example
Pg. 28 Best Practice 1.4	Updated for parking requirements
Pg. 32 Best Practice 2.3	Updated with current requirements
EXISTING ZONING MAP ATLAS 5	
	Updated to current zoning
EXISTING VACANT LAND ATLAS 6	
	Update to reflect current vacant land

CURRENT MASTER PLAN	MASTER PLAN UPDATE 2017
PROPOSED FUTURE LAND USE PLAN ATLAS 8	
Last Chance road NW corner of SEC. 13 T34N R55E	Change to Industrial General
City of Elko Parcel 006-09E-019 Powder House Road	Change to Public
Southeast ¼ of SEC. 13 T34N R55E Powder House Road	Existing residences, parcels 006-09E-003, 006, 007, 009, 014, 017, & 018 change to LD
Southeast ¼ of SEC. 13 T34N R55E Powder House Road	Parcel 006-09E-015 change to Med-Res
Corner of Sagecrest Dr. & Connolly Drive	Changed to Commercial
El Armuth and I-80	Added Medium Density
City of Elko Property Hot Springs Road	Changed from IND-GEN to Public
Section 18 Parks Designation	Changed to MED-RES
ECSD Parcel off Celtic	Changed from HD to MD
West Idaho Street Highway Commercial parcels	Changed to Industrial General like surrounding area
TRANSPORTATION PLANINNG ATLAS 12	
Silver Street 5 th to 12 th Collector	Minor Arterial
Silver Street 12 th to Manzanita Minor Arterial	Collector and Regional Roadway
Cattle Drive and Errecart	Updated for approved alignments

Upon introduction and motion by _____ and seconded by _____
_____ the following Resolution and Order was passed and adopted:

**CITY OF ELKO
RESOLUTION NO. 1-18**

**A RESOLUTION OF THE ELKO CITY COUNCIL AMENDING THE ELKO
CITY MASTER PLAN ACKNOWLEDGEMENTS BY ADDING OTHER PLAN
REFERENCES, THE LAND USE AND TRANSPORTATION COMPONENTS BY
UPDATING VARIOUS PROVISIONS TO REFLECT THE GROWTH OF THE
CITY AND NEW DEVELOPMENT OBJECTIVES, THE LAND USE MAP BY
CLEANING UP NUMEROUS LAND USE DESIGNATIONS, THE EXISTING
ZONING MAP AND VACANT LAND MAP BY UPDATING TO REFLECT
CURRENT ZONING AND VACANT LAND, AND THE TRANSPORTATION
MAP BY UPDATING ROADWAY CLASSIFICATIONS**

WHEREAS, the Elko City Council conducted a public hearing on proposed changes to parts of the Elko City Master Plan in accordance with Nevada Revised Statutes, Section 278.220 and the Elko City Code, Section 3-4-13, and

WHEREAS, the Elko City Council received public input, examined documents and materials related to amending the Acknowledgments, Land Use and Transportation components, and the Existing Zoning, Vacant Land, Land Use and Transportation maps of the Elko City Master Plan, and reviewed the previous action taken by the Planning Commission pertaining to the Master Plan amendments.

NOW, THEREFORE, BE IT RESOLVED BY THE ELKO CITY COUNCIL that amended portions of the Elko City Master Plan within the Acknowledgement, Land Use and Transportation components, and the Existing Zoning, Vacant Land, Land Use and Transportation maps, are attached hereto at Exhibits 1 through 7, and that the amendments to the Elko City Master Plan attached hereto at Exhibits 1 through 7 are hereby adopted.

All previous versions of the amended portions of Elko City Master Plan, and all resolutions or parts of resolutions in conflict herewith are hereby repealed.

IT IS FURTHER RESOLVED that this Resolution shall be effective and shall be in force immediately upon adoption, and that upon adoption of this Resolution by the Elko City Council it shall be signed by the Mayor and attested to by the City Clerk.

PASSED AND ADOPTED this 9th day of January 2018.

CITY OF ELKO

By: _____
CHRIS J. JOHNSON, MAYOR

ATTEST:

SHANELL OWEN, CITY CLERK

VOTE:

AYES:

NAYS:

ABSENT:

ABSTAIN:

ACKNOWLEDGMENTS

CITY OF ELKO

Mayor

Michael J. Franzoia

City Council

Chris Johnson

Jim Conners

Jay Elquist

John Patrick Rice

Planning Commission

Reece Keener

Doug Owen

Jeff Thompson

Richard Perry

John Anderson

Brent Elmore

Alene Sutherland

City Staff

Ed Wynes, *City Planner*

Curtis Calder, *City Manager*

Delmo Andreozzi, *Asst. City Manager*

Eric Howes, *Parks & Recreation Dept. Director*

Scott A. Wilkinson, *Development Manager*

Elko Arts and Culture Advisory Board

Catherine Wines

Danny Sullivan

Yong Pratt

Joan Anderson

Gail Rappa

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CRSA

Jim Nielson, AIA, LEED AP, *Senior Principal*

Laura Hanson, AICP, *Principal/Project Manager*

Donald Buaku, *Project Planner*

Fehr & Peers

Katy Cole, P.E., *Senior Transportation Engineer/Planner*

Lewis Young Robertson & Burningham

Susie Becker, AICP, *Senior Economic and Housing Analyst*

CONTRIBUTORS

Meg Glaser

Eva Owsian

OTHER PLAN REFERENCES

2011 Development Feasibility, Land Use, Water and Sewer Infrastructure, Transportation, Infrastructure, and Annexation Potential

2017 Airport Master Plan

BN TELKO MASTER PLAN - LAND USE

INTRODUCTION
MASTER PLAN
IMPLEMENTATION
ATLAS
APPENDIX

GOALS AND OBJECTIVES

Goal: *Promote orderly, sustainable growth and efficient land use to improve quality of life and ~~ensure~~ encourage new development that meets the needs of all residents and visitors.*

Objective 1: Promote a diverse mix of housing options to meet the needs of a variety of lifestyles, incomes, and age groups.

Objective 2: Encourage revitalization and redevelopment of the downtown area to strengthen its role as the cultural center of the community.

Objective 3: Strengthen, preserve, and promote the area around the City Park, City Hall, and Convention Center as the civic heart of the community.

Objective 4: Consider a mixed-use pattern of development for the downtown area, and for major centers and corridors, to ensure the area's adaptability, longevity, and overall sustainability.

Objective 5: Encourage development that strengthens the core of the City, ~~and ensure all~~ and new annexations that are logical and orderly and do not promote sprawl.

Objective 6: Encourage multiple scales of commercial development to serve the needs of the region, the community, and ~~that of~~ individual neighborhoods.

Objective 7: Promote high quality and visually appealing industrial uses, where appropriate, to ~~ensure~~ promote economic sustainability ~~as well as~~ and strengthen the community's image.

Objective 8: ~~Ensure~~ Encourage ~~that~~ new development that does not negatively impact County-wide natural systems, or public/federal lands such as waterways, wetlands, drainages, floodplains etc., or pose a danger to human health and safety.

EXISTING CONDITIONS



Ruby Mountains, Elko



Downtown Elko at night

Beginning with a small group of hardy homesteaders and a railroad connection to the greater region, Elko has grown to become an incorporated city of ~~over 18,000~~approximately 21,000 people. As the City has matured, from a railroad stop to a well-rounded and culturally-diverse community, its needs have changed ~~over time~~. The City has operated as a fairly self-contained, and self-sustaining urban center for many years – primarily because of Elko's distance from any other large developed center. As the community grows and matures, it will increasingly demand services and the facilities on par with those of much larger areas. The update of the City's Master Plan is a prime opportunity to assess what those demands will be. This plan will also help ~~ensure~~ guide the City's ~~long-term~~long-term decision-making to better addresses and accommodates a growing, and increasingly sophisticated and diverse population.

At the time of this writing in ~~Fallfall~~ 20102017, the City of Elko has approximately ~~10,833~~11,363 acres within its municipal boundaries, which includes a healthy mix of residential, commercial, institutional, and industrial lands, as well as parks and open spaces. The approximate acreage of land in each zoning district is presented in the table below. Note that in some cases the current land use may differ from the zoning, e.g. residential uses on industrially zoned lands in the ~~city~~City core. Until recently the City of Elko had only four general zones: Residential (R), Commercial (C), and Light and General Industrial (LI and GI), and this is reflected in the current zoning distribution. See also ATLAS Map 5, for a map of the City's existing zoning.

Table 1 Approximate City of Elko Existing Zoned Acreage			
Land Use	Area Zoned (SF)	Area Zoned (AC)	Percentage
A - Agriculture	181,500,113.64 <u>181,769,114.21</u>	4166.674,172.84	38.45-36.74
PQP - Public- Quasi Public	62,495,278.23 <u>61,815,984.61</u>	1434.69 <u>1,419.09</u>	13.24-12.49
Residential			
R – Residential	72,994,205.32 <u>76,357,365.04</u>	1675.72 <u>1,752.92</u>	15.47-15.43
R(SA) Residential Special Area Overlay	2,193,924.80 <u>2,229,076.49</u>	50.37 <u>51.17</u>	0.46 <u>0.45</u>
R1- Residential Single Family	15,209,821.67 <u>13,675,742.25</u>	349.17 <u>313.95</u>	3.22 <u>2.76</u>
RS – Residential Suburban	1,283,396.97 <u>1,738,365.49</u>	29.46 <u>39.90</u>	0.27 <u>0.35</u>
RE – Residential Estate	990,373.59	22.74	0.21
PUD – Planned Unit Development	2,000,442.88 <u>629,968.03</u>	45.92 <u>14.46</u>	0.42 <u>0.13</u>

Multi Family Residential			
R2 – Two Family Residential	-	-	-
R3 – Multifamily Residential	300,028.98300,210.91	6.89	0.06
RMH - Mobile Residential	15,371,580.57-15,700,371.41	352.88360.43	3.263.17
Commercial			
C – Commercial	39,994,479.08-40,839,484.44	918.15937.55	8.478.25
CC – Convenience Commercial	1,181,654.02-	27.13-	0.25-
CT – Commercial Transitional	1,019,542.26-1,832,679.78	23.4142.07	0.270.17
PC – Planned Commercial	11,369,455.1411,243,040.21	261.01258.10	2.412.17
RC – Restricted Commercial	47,730.22	1.09	0.01
RO – Residential Office	84,302.84-154,124.75	1.943.53	0.020.03
Industrial			
GI – General Industrial	40,616,369.3640,267,860.1	932.42924.42	8.618.14
LI – Light Industrial	23,013,676.6623,425,785.42	528.32537.78	4.874.13
IBP – Industrial Business Park	1,970,375.02	45.23	0.40
IC – Industrial Commercial	124,920.724,577,344.38	2.80105.08	0.030.03
TOTAL	471,922,815.80	10,833.86	100
Overlay Zones	Area Zoned (SF)	Area Zoned (AC)	
Special Area Overlay	2,193,681.602,229,076.49	50.3651.17	
Floodplain Overlay	68,171,400.00	1565.00	

Source: Elko County GIS, parcel data

Natural Open Space

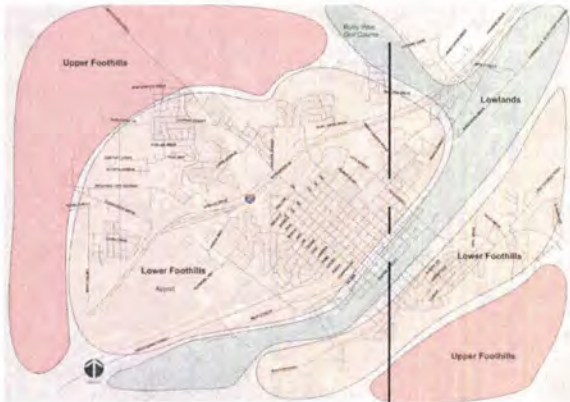
The City of Elko occupies a physical setting within an elongated valley oriented southwest to northeast between two roughly parallel mountain ranges. The dominant physical feature is the Humboldt River, a stream with a relatively flat gradient and a meandering, braided channel. The flood plain of the Humboldt River is not only flat and, but narrow as well. The river floodplain ranges in width from one-half to three-quarters of a mile, with an elevation of 5,025 feet above sea level when measured just



Geothermally heated natural spring

southeast of the City of Elko. Contributing to this valley setting is the Elko Mountain Range which rises sharply on the south side of the City to elevations of more than 7,000 feet and the Adobe Range to the north which ascends more gradually from the valley floor through river terraces and alluvial fans to about the same elevation.

The Elko Area can be divided into three general classifications of natural landforms, which include consisting of the following:



1. Lowlands – This area includes the Humboldt River flood plain, peripheral and river bench lands. Most of the City's urban core development, including institutional, commercial and industrial land use activity occurs within this area. The area is characterized by older industrial uses, and a residential component, consisting primarily of older housing stock, and recreational areas, is also present.

2. Lower Foothills – Most of the City's urban core development, including institutional, commercial and industrial land use activity occurs within this area. A significant portion of the City's low density residential development along with peripheral retail and service centers occurs within this area. Much of the City's

anticipated growth over the next ten to twenty years is expected to take place within this lower foothills area.

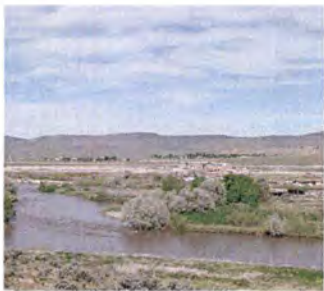
3. Upper Foothills – This area contains some acreage that is characterized by steeper topography. Most of the area is readily developable without special considerations, consists of the more rugged, mountainous terrain of greater slope. At the present time, there is limited development within this area. However, as the City continues to grow and expandexpand, and available land resources become scarce, clustered medium density residential development with preservation of open space will likely emerge as a prevailing pattern of land use.

A challenge that arises with development in the upper foothills is the absence of water and sewer infrastructure to serve the area. The costs of improvements and certain utility infrastructure required provisions to serve all potential development in the area cannot be justified make it difficult to provide service to multiple areas based on the typical development patterns within the City of Elko. The City of Elko chargescollects water and sewer connection fees from new development to address these cost issues.

At the same time, placing the burden of infrastructure provisions on developers may drive development and investment beyond the City limits and into the unincorporated County.

Residential

Residential land uses currently make up about 23.4 21.9 percent of the City's total land use area and exist in all neighborhoods of the City.



Humboldt River



Historic Home, circa 1869,
www.elkorose.com

As Elko has grown over the years, residential development has extended further out in a radius around the City's original grid and central core. The streets just north of the historic downtown core, referred to as the Tree Streets, provide a snapshot of the City's earlier years. Homes can be found in this area ranging from the early 1900s through the late 1940s and 1950s. A mix of size, style, and setback from house-to-house reflect an evolution of the City's development patterns and standards over time. The wide, tree-lined streets are beautiful and frame this picturesque neighborhood. The wide streets also accommodate on-street parking, an important feature in this traditional neighborhood with detached or non-existent garages.

As Elko expanded grew outward over time, residential development occurred moved to both the north and south. The southern portion of the City includes a mix of housing stock from an impressive single-family, Victorian house to several, very recent multiple-family apartment complexes. The bulk of the residential development near the river consists of nearly an even split between modestly sized, post-war, single-family homes and a variety of mobile and manufactured housing structures. The area as a whole could benefit from reinvestment and regular maintenance.

Moving farther to the sSouth and eEast, newer development with larger, well-maintained homes can be found. The recent upgrade of the hospital, as well as development in the Spring Creek area, is stimulating new investment in the City's southeastern corner. This trend is likely to continue.

Areas in the northern portion of the City are comprised of show newer housing and more contemporary patterns of subdivision development. The majority of housing in the City's northern areas is comprised of single-family, detached homes, dating from the 1970s to the present. The majority of homes in this area are larger in size, well-maintained, and are found within traditional subdivisions. With the success of the mining industry, and the success growth of the community college and the modernization of the hospital, new wealth is finding its way to Elko, and a handful of New luxury homes are appearing in this area.

Moving outward into future annexation areas for Elko, many of the homes in this area these areas still fall within a rural context. Gravel roads and very low density exist, and in some cases horses and other livestock can be seen from the roadway.

Overall, the trend throughout the City is for additional single-family residential housing. However, there is a demand for multi-family residential units and units for all life-cycle stages throughout the City. Projected high growth areas for residential development are in the northern and southern sectors of the City. The central sector is expected to experience a more moderate residential growth involving infill type development, housing rehabilitation, and reconstruction.

Commercial

At the time of its settlement, most people arrived to in Elko by train. Logically, the City's traditional commercial core has always been the downtown area, with smaller commercial nodes serving the City's



Quail Run and Riverside Condos are examples of new multifamily developments



Stockmen's Hotel and Casino



residential areas. With the advent of the automobile, people were able to travel farther distances in less time, and commercial development began to extend farther out along the City's major arterials (e.g. Idaho Street and the Mountain City Highway). Today, nearly everyone's first view of Elko is from Interstate 80 and, like most other communities in the US, the areas around the freeway exits are becoming increasingly commercial. This new development and investment has been important for the City's economy, and is providing residents with additional options and choices. There is still a strong desire to ensure the City's traditional core remains viable, active, and vibrant.



Elko County Courthouse



Northeastern Nevada Regional Hospital



Elko City Park



Elko Convention Center

Commercial development represents about 11.42-10.91 percent of the City's total land use. Elko's largest concentration of commercially zoned land use is still in the downtown core. The businesses in the area include typical town center establishments such as professional offices, grocery stores, shopping centers, retail stores, restaurants, hotels/motels, financial institutions and casinos. The downtown area is remarkably intact, and provides a great foundation for the City's continued growth. A collection of historic architecture, unique shops and restaurants, cultural features, wide sidewalks, and ample parking offer the ingredients necessary for a vibrant downtown. Many cities around the West are finding their downtown cores empty as commercial businesses have moved closer to busy arterial roadways. Elko avoided this fate and has few vacant storefronts, and the downtown area has remained quite successful. A probable explanation is the City's relative isolation, and the need to remain self-sustaining. Despite its success, the downtown area is in need of revitalization to meet its full potential. The area was declared a redevelopment area in 2008, and a Redevelopment Plan outlined a vision and implementation strategies to create a vibrant, active downtown for Elko. In early 2014, the Elko Redevelopment Agency amended the Redevelopment Plan.

Other commercial areas are developing along the major points of ingress and egress on Interstate 80, particularly on major arterials such as Mountain City Highway and Idaho Street. Commercial development along the Mountain City Highway is primarily automobile-oriented, and includes a variety of large-format, national chain stores. A bevy of fast food restaurants are located here as well. New commercial development along Idaho Street has been slower to appear, but the corridor is a busy, active, and highly visited commercial area. Businesses in the downtown area include restaurants, retail and professional office in the downtown area. As the corridor extends to the east, the development becomes less dense and more strip malls, hotels and motels, and other automobile-oriented commercial developments are found. A commercial center has been established is emerging around Interstate 80 exit at Jennings Way. With high freeway visibility, this area is experiencing notable development interest.

Overall, residents of Elko have expressed a desire for more grocery and neighborhood retail in the northern areas of the City to meet the needs of residents in the new subdivisions. A strong desire was voiced to revitalize the downtown core. Public comments suggested that design guidelines, beautification, and a greater mix in land uses in the downtown would help stimulate activity.

Institutional

Elko's institutional land uses include public, non-profit, and quasi-public uses. Located throughout the City, Elko's major institutions include the Great Basin College and the Northeastern Nevada Regional Hospital. Other institutional uses in the City cater to specific community needs and also sometimes serve as regional attractions. Examples include the Western Folklife Center, the Northeastern Nevada Museum, the Elko County Library, the visitor's center at Sherman Station and the headquarters of the Elko Chamber of Commerce.

A strong civic core exists in the downtown area with the County Courthouse, the new County Complex, the City's parks and recreation offices, a fire station, a post office, and a variety of community-oriented services and non-profits. A second civic core is found east of downtown, and is home to the Elko City Hall, the Elko Convention Center, the County Fairgrounds, the Elko City Park, the Elko swimming pool, several ball fields, and Great Basin College. Additional civic and institutional uses exist throughout the City as neighborhood schools and parks.

The City has outgrown its current City Hall facilities and it will be necessary to expand the existing City Hall, or for a new City Hall to be built for Elko to help consolidate City services.

Table 2

Building	Location	Architecture	Landscape treatment
Elko City Buildings			
Elko City Hall	1751 College Av	Contemporary	Good
Elko Airport Terminal	Terminal Way	Contemporary	Good
Elko Main Fire Station	911 W Idaho St	Contemporary	Good
Elko Fire Station #2	725 Railroad St	Classical	None
Elko Fire Station #3 (Lee Volunteer Station)	9th & Lamoille Hwy	Contemporary	None
Elko City Police Dept Bldg	1401 College Av 1448 Silver Street	Contemporary	Good
Elko City Swimming Pool	College Av	Contemporary	Good
Elko County Buildings			
Elko County Courthouse Complex	571 Idaho St	Classical	Good
Elko County Library	720 Court St	Contemporary	None
Elko County Fairgrounds	1090 13th St	Varies	Marginal

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Elko County School District Buildings			
Elko High School Complex	987 College Av.	Contemporary	Good
Adobe Middle School	3375 Jennings Way	Contemporary	Good
Flag View Middle School	777 Country Club Dr.	Contemporary	Good
Southside Elementary School	501 S 9 th St	Contemporary	Good
Grammar School #2	1055 7 th St	Classical	Good
North Side Elementary School	1645 Sewell Dr	Contemporary	Good
Mountain View Elementary	3300 Argent Av.	Contemporary	Good
School Dist Office Building	8 th & Elm St	Contemporary	Marginal
School Dist Office building	9 th & Burns St	Contemporary	Marginal
State of Nevada Buildings			
NV DMV & Highway Patrol	3920 E Idaho St	Contemporary	Marginal
NV Job Connect Center	172 6 th Street	Contemporary	Good
NV Dept of Wildlife	Youth Center Rd	Contemporary	Good
State of Nevada Office complex	1020 Ruby Vista Dr	Contemporary	Good
NDOT Building & complex	1951 Idaho St.	Contemporary	Good
Federal/Military Buildings			
BLM Complex	3900 E Idaho St	Contemporary	Good
Forest Service complex	2035 last Chance Rd	Contemporary	Good
NV National Guard Bldg	1375 13 th St	Contemporary	None
Main City Post Office	275 3 rd Street	Classical	Marginal
Aspen Station Post Office	500 Aspen Way	Contemporary	Marginal
Other			
Great Basin College complex	1500 College Pkw	Contemporary	Good
Convention Center	700 Moren Way	Contemporary	Good
Family Resource Center	331 7 th Street	Contemporary	Marginal
Senior Citizens Center	1911 Ruby Vista Dr	Contemporary	Good

Industrial

The local economy of Elko City is greatly influenced by the mining industry, and a number of major mines are located beyond the municipal limits of the City but within the Elko vicinity. Industrial lands within the City represent about 13.5412.87 percent of the total land use. Most industrial uses can be found at the east end of the City generally between East Idaho Street and the railroad corridor, and also at the west end of the City generally between the airport and the railroad corridor. A significant percentage of industrial zoned property is located within or adjacent to the Humboldt River floodplain. This zoning is a remnant from the days prior to Project Lifesaver, when the railroad ran right through the downtown area and rail access was critical. Since the relocation of the rail lines, the downtown core is no longer the prime location for industrial uses and is transitioning to other uses. Updated zoning in this area will facilitate the transition.

The recent extension of water infrastructure to the Exit 298 area provides the opportunity for the City to expand its industrial zoned property and potentially annex additional area strategically located near the I-80 corridor.

Higher quality industrial structures are envisioned for the City with opportunities for incorporating clean, light industrial uses along the freeway, and along the current rail alignment. The new—Northeastern Nevada Regional Railroad, located about five (5) miles east of Elko, adds a boost to industrial activity in the City, especially manufacturing and distribution industries.

This area is expected to bring in an added layer of industrial activity to the City, strengthen and diversify the economy, and bring new jobs to Elko.

Citizens have expressed concern about the visual impacts of expanding industrial uses at either end of the City, and interventions are requested to soften the initial views into Elko from Interstate 80. Landscaping and industrial building standards have been suggested as a tool to reduce and mitigate impacts of industrial development throughout the City.

Airport

The Elko Regional Airport serves both the City of Elko, and the residents of Elko County and areas beyond. The airport handles daily inbound and outbound flights consisting of private and commercial aircraft. A new airport terminal and taxiway were completed in 2001 providing a variety of services to patrons. The airport has land available for future expansion and for the provision of support services. The main access to the airport is by Mountain City Highway.

The existing and future design aircraft for Elko Regional Airport is represented by various models of regional jets used by commercial passenger service providers. Based upon the design aircraft, an appropriate Airport Reference Code (ARC) can be identified. The ARC is a coding system used to relate airport design criteria to the operational and physical characteristics of the types of aircraft intended to operate at a given airport. Specifically, the ARC is an airport designation that signifies the airport's highest Runway Design Code (RDC). The ARC for regional jet aircraft typically fall within the B-II to C-III range. Although



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Elko Airport Terminal

current passenger service is offered using CRJ-200 aircraft (C-II ARC). Elko Regional Airport is designed to accommodate larger C-III aircraft (Boeing 737, Airbus 319, etc.).

Tribal Lands

The Elko Indian Colony encompasses approximately 561 non-contiguous acres adjacent to the City of Elko. The Elko Indian Colony was established by an Executive Order on March 25, 1918, which reserved 160 acres for Shoshone and Paiute Tribes living near the town of Elko.

Many Tribal members work in seasonal agriculture and ranching jobs throughout the region. The Elko Indian Colony is not directly involved with the ownership or operation of mines in the Elko area; however, the tribal community depends upon the employment opportunities provided by the mining industry.

(Source: Elko Band Council. www.temoaktribe.com/elko)



Elko Band Ranch
www.temoaktribe.com

Vacant Land

Vacant lands are present throughout the City. A large portion of the City and surrounding area's vacant land occurs as undeveloped lands that are constrained by topography or floodplain locations. However, vacant and developable land exists in small parcels throughout the City, as well as a few larger tracts. A notable vacant area exists in the former location of the Union Pacific Railroad line. The tracks were relocated in the 1980s, leaving a corridor of open land within the core of the downtown. This area currently serves as parking for the downtown, and is relied upon heavily during the community's numerous events and festivals. A small portion of the corridor has been developed into a park, with a historic and an old train engine and caboose to memorialize the corridor's history. The city has renamed the park to Centennial Park and is in the process of transforming and expanding the park area as outlined in the City's Redevelopment Plan. As a component of this effort, the city constructed a fifty foot tall landmark named the Chilton Centennial Tower. The naming of the tower is in recognition of Mark Chilton being one of the many individuals who were instrumental in accomplishing Project Lifesaver and also in recognition of the Chilton's family philanthropic efforts throughout the community.

A portion of the vacated rail corridor is owned by the City of Elko in fee simple and is restricted in use for public purposes. The remainder of the vacated rail corridor is currently Union Pacific right-of-way and Central Pacific Railroad land grants. Future acquisition of title and/or access easement are important for continued redevelopment and transportation corridors. Any portion of the property could be sold by the City to a private party; however, a reverter clause in the agreement requires proceeds from the sale to be divided between the Federal Highway Administration (95 percent of sale) and the City of Elko (five percent of sale). The deed does not address the City's ability to lease the property, and the City could explore a long-term lease with a private party to help revitalize and stimulate development in the downtown.

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A significant portion of the land just beyond the municipal limits of the City is under management of the United States Department of the Interior, Bureau of Land Management. The area represents thousands of acres of additional land available for long-term public use, and serves as an important recreational resource for the community.

Developable Vacant Land

Over half of the land within the Elko municipal boundaries is vacant, and many more vacant acres exist within unincorporated islands within the City and in the surrounding lands. See ATLAS Map 6 for a map of vacant land within and outside the City boundaries. Not all of this property is developable, and a portion of the property can be excluded due to steep slopes and topography, and to accommodate for future roads, public buildings and infrastructure. An analysis of the lands surrounding Elko determined that approximately 20 % of the vacant property within the City of Elko is unsuitable for development because of easements, floodplains, roadways, and other infrastructure challenges. Outside of the current City boundaries, it is estimated that 35 percent of the land surrounding the City is unsuitable for development because of easements, topography and, floodplains. Other factors limiting development include the airport, the railroad, the landfill and the Humboldt River. See ATLAS Map 10. FEMA Flood Zones.

The figures in Table 3 are approximate, estimated. Parcel data does not exist for many of the lands surrounding the City, and even in some places within the City boundaries; therefore accurate area calculations are difficult to generate. The figures should, however, give a general portrait of the vast amount of developable land available for the growth of the City of Elko. A significant portion of the vacant acreage lacks public infrastructure such as water and sewer services.

Table 3		
City of Elko		
Approximate Development Potential		
Land Type	Total Undeveloped Acres	Developable Acres
Vacant land within municipal boundary (calculated with an average of 80% developable developable) <i>**Please note that approximately 1500 acres of the total acres within the municipal boundaries are completely undevelopable due to constraints of topography, flood plains, etc</i>	5,0044,046	2,8032,783
Vacant land in unincorporated islands within municipal boundary (calculated with an average of 65%	254	163

developable)		
Vacant Land in potential annexation areas (calculated with an average of 65% developable)	2,8852,259	1,875957
TOTAL		
Source: Elko County Assessor GIS		
Total acres within municipal boundary is 10,83311,358.84		
**This table is referenced to the Assessors vacant parcel and land use data located in the ATLAS section of this Master Plan update		

It is also important to note that the Te-Moak Tribal Land Expansion project will encompass approximately 36880 acres of developable land near by the City of Elko. While this property will remain under tribal ownership, public utility services may be provided by the City of Elko to any new development.

There is one notable generally vacant property within the municipal boundaries, which is of critical importance to the City of Elko. The City has been working to acquire the Right-of-Way additional property along the vacated rail corridor in fee from the Union Pacific Railroad. Acquisition of the right-of-way is a requirement for possible property acquisition. More recent The negotiations have been underway since the mid 2000s late 1980s explore its options in furthering that effort seek to, but appear to be gaining traction. The property is consolidated into two large parcels, which together total approximately 70.92.62 acres. When Were the right-of-way is property to be acquired purchased, the Railroad would transfer all current property leases to the City. Transfer of the property to City ownership would require federal action, but the property would not officially fall under City ownership until finalized by a Congressional act. The acquisition is important to the City because it provides the space necessary to complete the planned Silver Street extension from 14th Street to Manzanita Lane. It also has strong potential for future development and is a good candidate for mixed-use to support the downtown.

There are a number of existing leases on this property, and it is expected that revenue generated by the leases could offset the majority of the acquisition costs purchase price.

The City of Elko has a total combined duty of 18 ground-groundwater rights. As of July 2007-2011 utilizing approximately 8,133-6,850 acre feet of time the City had 7,300-7,400 connections of va to approximately 1.11 (363,000 gallons) 90-93 ac This is close to the standard requirement of 1.12 feet per year for a Single-FamilySingle-Family D this information an additional, approximately, 8,4 connections could be serviced with the remainin feet of water. It is estimated that the City of Elko 5,398 (is this till an accurate # or need to be updated) acres of developable vacant ground within the city of Elko's its incorporated boundaries (Table 3). It is expected that develop ground will exhaust much of the remaining 9,86 available water and the City may not be able to proposed annexations property without conserv

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The City currently employs conservation methods described in a State approved conservation plan that requires metered water service on all new construction and water restrictions during the ~~July/June~~ – September period. ~~The City has not adopted an annexation policy pertaining to water rights at this time.~~ The City of Elko has adopted a *Water Service Extension Policy for Customers Outside the City Limits* that requires, among other conditions, annexation of property into the City in exchange for water service thereby limiting the potential for eCity resources to be utilized for County development. The policy also lists the transfer of water rights to the City of Elko in exchange for water service as a possible condition. It should be noted that implementation of the policy is at the discretion of the City Council and is implemented on a case-by-case basis. In addition to the existing water conservation practices and potential water rights transfers, the City ~~has implemented intends on evaluating~~ several water conservation options as follows:

- ~~Effluent disposal options possibly incorporating additional use of~~ Expanded the use of reclaimed water for City irrigation requirements
- Water credits for effluent disposal through the currently approved infiltration of effluent
- ~~Continued m~~ Metering of all new construction and the possibility of metered water service on existing development

The City of Elko Water Reclamation Facility has a design capacity of 4.5 Million Gallons per Day (MGD). Plant utilization is approximately 55% based on average daily flows of approximately 2.5 MGD.

~~The City of Elko Water/Sewer Departments and Water Reclamation Facility are required by State law to have 10-year capital improvement plans (CIP) in place. The plans identify potential upgrades to the system to meet anticipated community needs. The plans are typically based on projected growth rates of the community and current system upgrade requirements. The latest water/sewer CIP was completed in 2004.~~ The City of Elko Water Reclamation facility updated its CIP in ~~2009~~, 2016.

City Infrastructure

City of Elko Water Rights

~~In the period around~~ From the late 1980s and to the early 1990s, the City Engineering & ~~Water~~ Departments filed for all unused water rights in the Elko segment of the Humboldt River Groundwater Basin. This was done to aid in the control of water usage in the Elko area as well as to ensure that the City of Elko would have sufficient water rights for future growth. Presently, the City of Elko has sufficient permitted and certificated water rights to enable the City to ~~at least~~ more than double in size. With good water management, this resource may be extended further by expanding the use of recycled wastewater and more efficient irrigation practices.

New Development Beyond the City Core

The City of Elko currently has two ~~pressure zones within in its~~ water systems. These two ~~zones systems~~ are identified named based on the water storage tank floor elevations. Both water ~~zones systems~~ are

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~~storage-gravity water systems with no pumped~~ **Formatted: Strikethrough**
~~water systems.~~ The Tank Base Elevation 5208 ~~Zone System~~ serves from
the valley floor elevation to ~~an elevation of approximately 5,120 feet.~~ The
Tank Base Elevation 5400 Water ~~Zone System serves Zone serves~~ from
approximately ground elevation 5120 ~~to a to approximately ground~~
~~elevation of approximately 5,320-5,316 feet.~~ See **Formatted: Strikethrough**
Water System).

New developments located on land above ~~a ground elevation of 5, 320~~
~~316 feet~~ will require significant water system improvements such as new
pumping facilities, new water storage tanks, new water transmission line
extensions and development of a new water distribution system. The City
of Elko ~~Engineering Department~~ developed ~~conceptual~~ costs for these
improvements ~~as presented in the early 2000s~~ **Formatted: Strikethrough**
~~Report)~~ as part of a planning program aimed to identify road blocks for
City expansion and commercial/industrial growth. At that time ~~Water~~
connection charges ~~have been put in place~~ were developed for new
development that ~~would can be used to~~ fund new water wells, new water
transmission lines and new water storage facilities. ~~New D~~developments
will be required to construct buried water distribution lines, install fire
hydrants, construct water service lines, and develop water- efficient
landscaping.

The City of Elko recently completed a water transmission line which will
extend municipal water services to the Northwest Neighborhood,
specifically the I-80 Exit 298 area.

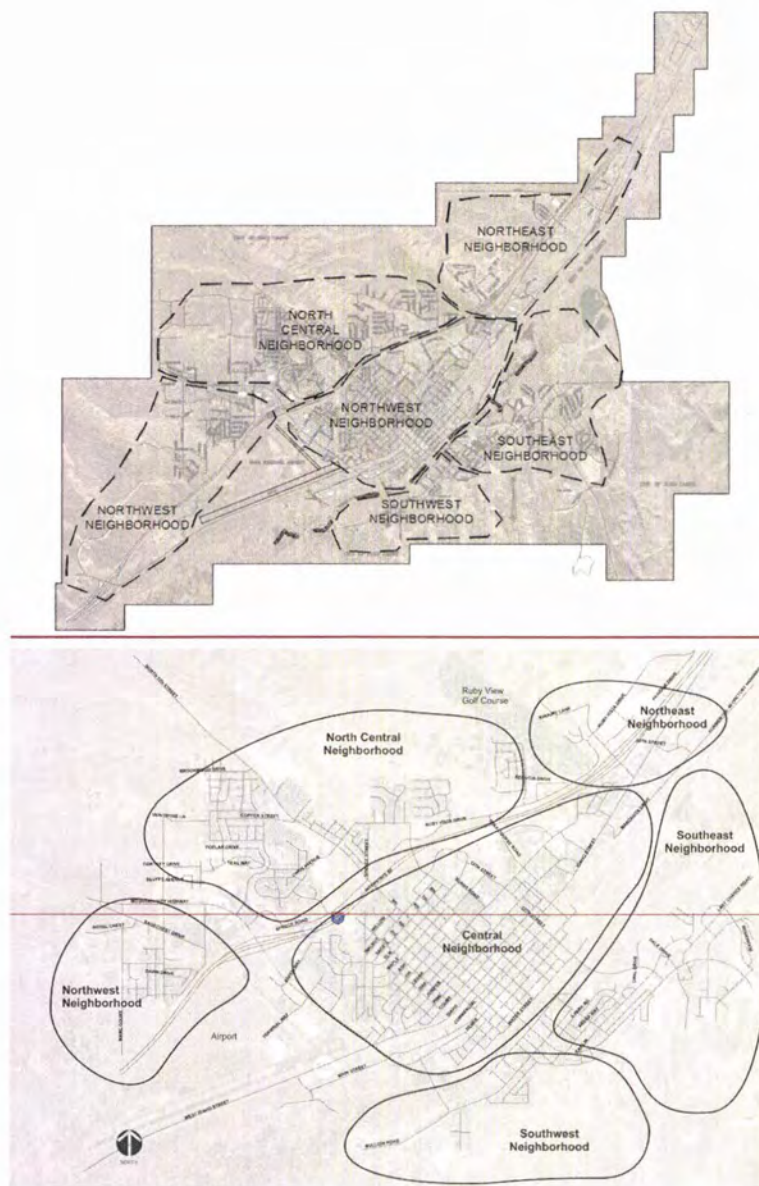
Water Availability and Growth

The City should consider the development of new water systems based
on the City's needs to serve properly zoned properties that will afford
reasonable opportunities for growth and diversification of the City's
economy. The City should consider the development of new water
system infrastructure in all areas where growth i **Formatted: Strikethrough**
~~in the higher elevations, including the zone above~~ **Formatted: Strikethrough**
~~elevation.~~

The City is currently planning expanding areas of use ~~effor~~ recycled
water ~~and is currently underway with~~conducting an engineering study for
reuse options. Recycled water is proving to be cost effective in
comparison to municipal potable water for irrigation purposes as the
infrastructure is developed.

The City updates the water, sewer, and utility master planning
periodically as conditions and budget warrant. The City should also
consider setting utility improvement priorities and implementation
planning.

Neighborhoods



Elko Neighborhood Map

The City of Elko has long been comprised of a number of larger individual neighborhoods, each identified by their unique character, location, physical features, and cultural and social factors.

Neighborhoods are ideally characterized by a complete and balanced complement of elements, which contribute to a high-quality residential living environment, — and all within a defined geographical area. These elements include opportunities for a



New homes on Arroyo Seco Dr. in the Northwest Neighborhood

variety of housing types, parks, open spaces, recreation, and leisure activities, convenience shopping, and educational, and cultural and religious facilities. The various planning neighborhoods of Elko are illustrated in the Elko Neighborhood Map above.

Northwest Neighborhood

This area is bordered on the south by Interstate 80 and by Mountain City Highway on the east. Land to the north and west transitions to low density semi-rural type development and generally is capable of sustaining additional growth, provided urban-type services and utilities can be extended. Key features associated with this neighborhood include neighborhood and community-oriented retail and service activities, and a future elementary school site. Future needs for this area include parks and recreational opportunities, and additional neighborhood commercial units and a middle school. Residents also want to see additional grocery stores and well-designed master planned communities in this neighborhood. There is also potential for new industrial development in this area, building on the existing airport area and Exit 298. New industrial development must be carefully designed to preserve the City's image at this Western-western gateway. A number of industrial possibilities exist with proximity to Exit 298 on Interstate 80.

This portion of the City contains several islands of unincorporated land falling under the jurisdiction of Elko County. It makes logical sense for these islands to eventually be annexed into the City of Elko's municipal boundaries. Similarly, the Bureau of Land Management is the manager of 640 acres of land, or one section, in this area. This property has potential for eventual development and has already been annexed into the City. Limitations to development of these parcels include the lack of public infrastructure in the area, higher elevations, and potential conflicts with the Elko Regional Airport.

North Central Neighborhood

This area is bordered on the south by Interstate 80, Mountain City Highway on the west, and by the Ruby View Golf Course on the east. Lands to the north and northwest are predominantly vacant but exhibit strong growth potential. Key features associated with this neighborhood include community and regional oriented retail and service activities, an elementary school, neighborhood and community parks and open space, Ruby View Golf Course and numerous religious facilities. Future needs for this area include convenience shopping and services for local residentsresidents. Public comment suggests that this area should continue to develop as a residential neighborhood.

Te-Moak Elko Indian Colony has plans-recently to expanded their-its territory in this area through a land exchange-withdrawal with the Bureau of Land Management. This expansion would added an additional 382 368 acres to the tribal lands in proximity to the City of Elko.

Northeast Neighborhood

This area is bordered on the south by Interstate 80 and Ruby View Golf Course on the west. Most of the land within this area and to the north and east remains vacant. However, once services are extended, a



Ruby View Golf Course and neighborhood homes in the North Central Neighborhood



Canyon Crossing subdivision entrance and park

mixture of commercial and residential development is anticipated. This area has seen recent growth with several commercial and residential developments. A key feature associated with this area is the Ruby View Golf Course. Parks and educational facilities are examples of future needs for this area. There is a demand for apartment/multifamily housing on this side of the City as well, to provide opportunities for residents with diverse housing needs. Limitations to development of these parcels include the lack of public infrastructure in the area.

The Elko County School District leases approximately 180 acres of property in this area from the Bureau of Land Management. This property will allow the school district to provide for future development new schools necessary to meet the demands of this the growing district neighborhood. However, it is likely that not all the property within the school district's lease will be needed and that there is the potential for the City or a private landowner to acquire the surplus land for development purposes. School districts and BLM lands are exempt from local property taxes and the development of portions of this property for private purposes would provide revenue needed to strengthen the City's ability to provide better services.

Central Neighborhood

This area is bordered by Interstate 80 on the north, the Humboldt River on the south, Mountain City Highway on the west and Exit 303 on the east. For the most part, the area is developed with a mixture of residential, commercial, public and institutional type uses. Key features include neighborhood and community parks and recreational facilities, the Elko Convention and Visitors Authority, Elko County Fairgrounds, City Hall, Elko County Courthouse, Great Basin Community College, Elko City Cemetery, elementary, junior-middle and senior-high schools, religious and cultural facilities (including Northeast Nevada Museum and the Western Folklife Center), the downtown commercial district and other community community-oriented retail and service activities.

A key need for this area is to provide for the upkeep, maintenance and modernization of existing older facilities. Revitalization of the downtown area is a focus for the Elko Redevelopment Agency and many downtown stakeholders. And finally Moreover, the roads in the Tree Streets area have very wide roadways, which are costly to maintain and the full right-of-way width is unnecessary for the safe movement and parking of cars. It has been recommended that the excess right-of-way be vacated and allowed to be combined with existing private parcels along these roads, including a redesign of the road cross section, with wide landscaped areas created between the sidewalk, and the curb and gutter. These park strips would be maintained by homeowners and are a prime space for snow storage in the winter months.

The City is actively pursuing additional access easements in the process of negotiating the purchase of additional property within the vacated Union Pacific railroad property, as described earlier above. Acquisition of the property will facilitate the extension of Silver Street to Manzanita Drive and is a significant component in the redevelopment of the central neighborhood.



Residences on Cedar Street, one of Elko's first neighborhood homes. These are located in the Central Neighborhood



Humboldt Area River Park (HARP), bicycle and walking path along the Humboldt River in the Southwest neighborhood

Southwest Neighborhood

This area is bordered by the Humboldt River on the north and South 5th Street/Lamoille Highway on the east. Land to the south and west is vacant, but exhibits strong growth potential provided deficient local utility services and capacities can be upgraded. Key features associated with this neighborhood include a ~~community~~ community-oriented park and recreational facilities, higher density housing and mobile home parks, and the Hot Hole recreational area.

Future needs for the area include more convenience shopping and services for ~~local residents~~ residents, and more investment in parks and recreation. Residents want to see improvements to the mobile home parks in the neighborhood, as well as the possibility of creating a small retirement community. There is a significant amount of undeveloped property in this area, and ~~it a portion of it~~ has been selected recommended as a the location for a new baseball/softball field Regional Sports Complex. It is anticipated that existing fields will remain where they are, and that this ~~would will~~ be a new facility. ~~Limitations to development of these parcels include the lack of public infrastructure in the area.~~

Southeast Neighborhood



Quail Run Apartments on 12th Street

This area is bordered by the Humboldt River on the north and South 5th Street/Lamoille Highway on the west. Land to the south and east is sparsely developed with a mixture of land uses. Future development in this area, particularly to the south, is likely to be constrained by topography and also landfill operations. Key features associated with the neighborhood include the Northeastern Nevada Regional Medical Center and the Southside Elementary School. Future needs for this area include a neighborhood park, enhanced recreational opportunities, and additional convenience shopping and services for ~~local residents~~ residents. Limitations to development of these parcels include the lack of public infrastructure in the area.

MAP

The Elko Master Plan Land Use Map (ATLAS Map 8. 2010 Future Land Use Plan) is a graphic depiction of proposed future land use and is a guide for the City staff and officials to rely upon as they are evaluating development proposals and associated applications or revisions to City policies and ordinances. Depicting an area as residential, commercial or any other designation on the Master Plan Land Use Map should not prohibit other land uses that may be authorized by Planned Unit Development (PUD) ordinances, conditional use ordinances or other land use applications that may grant a land use exception or other means of relief, so long as the land use complies. ~~Development of property must be in conformance with the Elko City Code and is compatible with, and does not frustrate, this Master Plan's goals and policies and the NRS.~~

The designations are a result of significant public input and a review of land use designations of adjacent jurisdictions. These designations were also developed through planning and professional analysis.

The Elko Master Plan Land Use Map contains the following land use designations:

Agricultural/Residential – Rural Density

Areas designated agricultural/~~residential~~ are suitable primarily for the preservation of existing farmland and grazing areas, and for the development of single-family residences on large acreages. In many instances, agricultural lands peripheral to the City are in a state of transition and have potential for annexation, and ~~the extension of urban services and utilities and are, to an extent, a function of a~~ monitored through zoning district classification. ~~Development of property~~ Uses of land must in conformance comply with the Elko City Code, this plan and the NRS, as applicable, and must be compatible with, and not frustrate, this Master Plan's goals and policies.

Corresponding zoning districts:

- AG General Agriculture

Residential – Low Density

This designation describes areas where residential development densities ~~less than ranging from one (1) to four (4) units per acre are desired. A conditional use permit may allow densities higher than listed here.~~ These areas will be made up of single-family homes with larger lots than those in the medium density designation. ~~Uses of land must comply with the Elko City Code, and must be compatible with, and not frustrate, this Master Plan's goals and policies. Development of property must be in conformance with the Elko City Code, this plan, and the NRS, as applicable.~~

Corresponding zoning districts:

- ~~R~~ ~~Single-Family – Multiple-Family Residential~~
- RS Residential Suburban
- PUD Planned Unit Development

Residential – Medium Density

This designation describes areas where residential development densities are ~~four (4) five (5) to eight (8) units per acre. A conditional use permit and/or development agreement may allow densities higher than listed here.~~ These areas will be made up of single-family homes, but may include townhomes, row houses duplexes and other types of multi-family land uses. ~~Uses of land must comply with the Elko City Code, and must be compatible with, and not frustrate, this Master Plan's goals and policies. Development of property must be in conformance with the Elko City Code, this plan, and the NRS, as applicable.~~

Corresponding zoning districts:

- R Single-Family – Multiple-Family Residential
- R1 Single-family Residential
- R2 Two-Family Residential
- PUD Planned Unit Development
- RO Residential Office
- RB Residential Business (Proposed)
- RMH-2 Mobile Home Subdivision
- RMH-3 Manufactured Home Subdivision

Residential – High Density

This designation generally describes areas where residential development densities of nine (9) units per acre or greater. This is the City's most intensive residential land use designation. This classification is intended for multiple-family homes and multistory dwellings in addition to single-family residences. This land use category serves as a transitional land use between medium-density residential, and commercial or industrial uses. High density residential is also appropriate along major transportation corridors, in the downtown core and near neighborhood centers. Uses of land must comply with the Elko City Code, and must be compatible with, and not frustrate, this Master Plan's goals and policies. Development of property must be in conformance with the Elko City Code, this plan, and the NRS, as applicable.

Corresponding zoning districts:

- R Single Family and Multiple Family Residential
- R3 Multiple-Family Residential
- RMH Mobile Home Residential
- PUD Planned Unit Development
- C General Commercial
- ~~Proposed New Multifamily zoning district~~

General Commercial

This designation includes general commercial land uses with a community-wide focus, together with certain compatible, permitted non-commercial uses. This designation generally features commercial businesses and buildings of varying size and scale with a focus on meeting the needs of the local community. Typical uses may include grocery stores, supermarkets, restaurants, retail sales businesses, service providers (such as banks), and professional offices. Uses of land must comply with the Elko City Code, and must be compatible with, and not frustrate, this Master Plan's goals and policies. Development of property must be in conformance with the Elko City Code, this plan, and the NRS, as applicable.

Corresponding zoning districts:

- C General Commercial

- CC Convenience Commercial
- CT Commercial Transitional
- PC Planned Commercial
- IC Industrial Commercial

Highway Commercial

This designation includes general commercial land uses with a community-wide and regional focus. This designation features large-scale commercial buildings, automotive dealerships, drive-through restaurants, large-footprint retail stores, and similar type land uses appropriate for highway and arterial frontages. This designation and its uses are not intended to compete with downtown or neighborhood commercial areas, and is focused on the regional market. Uses of land must comply with the Elko City Code, and must be compatible with, and not frustrate, this Master Plan's goals and policies. Development of property must be in conformance with the Elko City Code, this plan, and the NRS, as applicable.

Corresponding zoning districts:

- PC Planned Commercial
- C General Commercial
- CC Convenience Commercial
- IC Industrial Commercial

Downtown Mixed Use

This land use designation includes land uses that are located in or close to the historic downtown area. The area will capitalize on the existing fabric of the downtown and its walkable grid system. Mixed-use allows for a variety of land uses, and configurations. Housing or office use may be located within the same structure, with retail use primarily on the first floor. Housing options within this land use designation will be predominantly composed of high density multi-family housing including apartments, townhomes, condominiums, etc. Uses of land must comply with the Elko City Code, and must be compatible with, and not frustrate, this Master Plan's goals and policies. Development of property must be in conformance with the Elko City Code, this plan, and the NRS, as applicable.

±

Corresponding zoning districts:

- C General Commercial (with revisions)
- ~~Proposed new Downtown Mixed-Use district~~

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Neighborhood Mixed Use

Neighborhood Mixed-Use are areas designated on the Elko Future Land Use Map intended for higher density residential development combined with neighborhood scale commercial activity. This designation features commercial uses such as grocery stores, corner stores, coffee shops,

bookstores, video rentals, barber shops, hair salons, bakeries and bicycle repair. The Master Plan Land Use Map identifies several general locations for Neighborhood Mixed-Use development.

Housing within this designation will range from higher density multi-family housing around the commercial core of the neighborhoods to medium density residential development away from the core. Uses of land must comply with the Elko City Code, and must be compatible with, and not frustrate, this Master Plan's goals and policies. Development of property must be in conformance with the Elko City Code, this plan, and the NRS, as applicable.

Corresponding zoning districts:

- CC Convenience Commercial
- CT Commercial Transitional

*Proposed new Neighborhood Mixed-Use

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General Industrial

This land use designation includes light to heavy industrial type land uses as well as some of the more intense commercial uses. Land use activity in this category may include research and development, clean technology assembly and production as well as more intense industrial uses. It should be noted that these uses have some impact on surrounding areas in terms of noise, odor, dust or other nuisances that would likely extend beyond the property lines. Uses of land must comply with the Elko City Code, and must be compatible with, and not frustrate, this Master Plan's goals and policies. Development of property must be in conformance with the Elko City Code, this plan, and the NRS, as applicable.

Corresponding zoning districts:

- LI Light Industrial
- IC Industrial Commercial
- GI General Industrial

Business Park Industrial

This land use designation identifies future employment centers, and specifically those targeting high-technology, research, education, and training institutions. Light industrial uses are appropriate within this designation, provided that there are no nuisances (odor, noise, dust) which travel beyond the property lines. Uses of land must comply with the Elko City Code, and must be compatible with, and not frustrate, this Master Plan's goals and policies. Development of property must be in conformance with the Elko City Code, this plan, and the NRS, as applicable.

Corresponding zoning districts:

- IBC Industrial Business Park

- LI Light Industrial
- IC Industrial Commercial

Parks and Open Space

This land use designation indicates lands that are intended to be maintained as natural, undeveloped open space or developed as a formal recreation area for public purpose. This designation includes lands bordering public lands, river and stream corridors, and City park spaces. General park locations have been identified, (identified, (See the Parks and Recreation map) but specific parcels and acreages have not. Uses of land must comply with the Elko City Code, and must be compatible with, and not frustrate, this Master Plan's goals and policies. Development of property must be in conformance with the Elko City Code, this plan, and the NRS, as applicable.

Corresponding zoning districts:

- PQP Public, Quasi-Public
- FP Floodplain Overlay
- AG General Agricultural

Public/Quasi-Public

This land use designation is applied to community and public and quasi-public uses such as those associated with government, non-profit, and utilities. Uses of land must comply with the Elko City Code, and must be compatible with, and not frustrate, this Master Plan's goals and policies. Development of property must be in conformance with the Elko City Code, this plan, and the NRS, as applicable.

Corresponding zoning districts:

- PQP Public, Quasi-Public

BEST PRACTICES

This Best Practices section includes a detailed explanation of each of the Elko Master Plan objectives, and provides recommendations, identifies funding sources, and suggests regulatory tools available to help implement the Master Plan's stated objectives. The purpose of this section is to ensure City leaders and decision makers have the information necessary to make sound and educated decisions for the future of Elko. The Elko Master Plan Best Practices should be referred to on an ongoing basis as staff reports are developed, and as zone changes, conditional use permits, subdivisions, and other land use related decisions are made.



Live-work units have residences located above or behind home based professional services and/or businesses

Land Use page 23



Objective 1: Promote a diverse mix of housing options to meet the needs of a variety of lifestyles, incomes, and age groups.

Elko's housing inventory should offer a spectrum of options and costs that are proportional to the makeup of its residents and employees and their ability to pay for housing. A successful housing spectrum will include ample options. The beneficiaries will not only be community residents, but also employers that are able to draw from a broader range of potential employees. Employers in Elko will be able to fill a diverse set of jobs, ranging from clerical to executive, and will include positions for manufacturing, industrial, retail, services, and others.

For Elko's housing supply to reflect demand, it is important to evaluate the demographic characteristics of the community. Projections of the types of housing that will be needed to accommodate various housing needs and incomes should be made. Then regulations and policies should be incorporated that will allow the market to meet these needs. A demographic profile of Elko can be found in the introduction of this Master Plan, and the Elko Housing Plan includes specific policy statements about the provision of housing opportunities in the City.

A good housing mix brings opportunities for people to age in place. It also means that housing caters to the needs of people with different income levels, family sizes, and tastes. In order to successfully achieve diversity in housing, the Elko community should carefully review its zoning ordinances and regulations in order to ensure that they are not and tailor them to mitigate adversely impacts on true market demands, and to reduce with unnecessary regulations and policies that do not reflect the true housing needs of the community. Specific Housing Best Practices include:

Best Practice 1.1: Plan for and encourage a mix of housing types throughout the community.

Live-Work Units: Review and, if required, clarify City zoning ordinances to encourage the co-location of businesses with housing in live-work units. Live-work units typically include internally connected housing above or behind the commercial space and provide convenient housing and office space for individuals employed in anything from professional services to small home-based manufacturing. This type of housing would be appropriate in the Elko downtown core, or in developing neighborhood centers as the City grows and expands.

Mixed-use housing: Review and, if required, clarify City zoning ordinances to encourage mixed-use housing, or separate housing and commercial units within the same building. Provide mixed-use housing above retail to encourage human activity at night and on weekends, resulting in healthier commercial areas. When a diversity of users is present in a neighborhood, a wider variety of services can be supported. Parking requirements are of particular concern in built and older areas of the community.

Accessory Dwelling Units: Review and, if required, clarify City zoning ordinances to encourage the development of additional accessory



An older residential neighborhood that has been preserved and restored



These four single family dwellings are located in the Central Neighborhood of Elko. Built on 25' x 100' parcels, these four townhomes are complete with garages which open in the rear alley on Oak St. The homes were constructed in 2008.

dwelling units within the City. Current City Code allows for the development of both carriage houses (secondary structure apartments) and accessory dwellings (e.g. mother-in-law apartments). Accessory dwelling units are encouraged because they increase density, are affordable, and maintain the neighborhood character. These units are typically built over garages and can be used as a studio, a teenager's bedroom, or rented as a separate apartment to help offset the cost of a mortgage.

Single Family: Continue to encourage the development of single family homes throughout the community. Single family homes usually appeal to larger, and well established well-established families and offer space extra lot area for landscaping, gardens and future expansion. The City should evaluate and update single family zoning ordinances to allow for flexibility in front and side setbacks.

Single family homes are not always built on large lots. In some cases, single family homes are built on small lots and can even manifest as attached buildings. Small-lot single family homes occur in higher density residential developments. They usually have shared driveways and garages. Single family homes can also be owner occupied or rental units. Current subdivisions in Elko are mostly made up of single family homes. More recent new developments have included a mix of small lot single family development and smaller townhome development. New developments, subdivisions and master planned communities should continue to explore the potential for including ssibility of introducing different types, sizes, and styles of single family homes.

Multiple Family: Multi-family residential units occur as apartments, condominiums, duplexes, triplexes, four-plexes, and townhomes. Apartment housing is in demand in Elko as it typically caters to younger, lower income, and transient families. Multi-family homes create density and can house a greater number of people per square foot and therefore support vibrant neighborhood centers. Multi-level developments also strengthen the street wall and offer opportunities for first floor retail. Appropriate locations for multiple-family development include the downtown area and land bordering major or minor arterials and collectors.

Mobile Homes & Parks: A number of mobile homes can be found in Elko. These are primarily located in the Southwest Neighborhood of the City, to the located south of the Humboldt River and Lamoille Highway. The mobile homes offer housing to lower income residents, and people who are in transient situations or temporarily employed in the City. There is often a stigma generally associated with mobile home parks. Typical challenges include a lack of public or private open space, poor maintenance, and a lack of sufficient off-street parking. The current City code addresses these issues, and these standards should ensure enforcement of these standards will promote attractive, high quality mobile home park development in the future.

Best Practice 1.2: *Encourage high-quality housing design to strengthen neighborhood acceptability, while encouraging variety and beauty.*



A mix of architectural styles, housing types, and diversity helps provide residents with housing options



Design Guidelines: Variation in housing mix (architectural styles, lot sizes and building types and sizes) creates greater visual interest along sidewalks for pedestrians and promotes the ~~long-term~~long-term sustainability of a community. In contrast, streets lined with identical homes and blank garage doors make walking less appealing.

Many communities require minimum design standards for residential development for certain types of housing. Some communities apply city-wide standards for every home, while others apply them only to multiple family developments.

If ~~Elko~~ the City considers adopting a set of design guidelines, standards should include basic requirements for building orientation and form, rather than details on materials, style, window type, colors, etc. The most important objective is to promote a livable community by reducing total percent of garage frontage on the street, and elevating the importance of front porches and the more human-focus elements of a home.

Good design for multiple family developments can play a key role in increasing their acceptance in primarily ~~single-family~~single-family neighborhoods.

Rehabilitation of Older Neighborhoods: Elko has a number of older neighborhoods that have helped to define the character of the City. These neighborhoods and the homes within them contain important elements of the City's heritage ~~and also~~and contribute to the communal lives of residents.

Rehabilitation of older neighborhoods is a challenge facing many communities, and Elko is not an exception. Of critical importance is to help beautify and revitalize these neighborhoods without resulting in gentrification that displaces the original residents. Several strategies can be adopted by the City to help clean up and develop these areas, while promoting a gradual transition in the area's overall property values:

- The first step should be to identify and invest in public infrastructure improvements and public works projects. These include road and sidewalk maintenance or reconstruction, development of trails, water/sewer, and installation of new street lighting and signage.
- A second step, which requires more resources, is the investment in public green spaces such as parks, plazas, street trees, and other landscaping.

The objective of these initial steps is to create a more attractive and livable neighborhood for the current residents, without requiring any private investment. Once the public investment has been made, demonstrating the local government's commitment to improving the area, new private investments will likely follow. This investment can be incentivized in a number of ways including the:

- Review and update of zoning and regulatory policy for the affected areas to offer more flexibility in development
- Enacting Code provisions allowing for the ~~Waiver~~ or reduction of connection and impact fees (Note that Elko City does not

currently collect impact fees for new development, but this is a strategy that could be effective in the future).

Best Practice 1.3: *Work toward equitable, and even, distribution of housing types throughout the community.*

Blended Communities: Housing development should seek to provide a variety of housing types that includes distinct architecture, density, scale and type, as well as different income levels of households within neighborhoods. Housing is a primary responsibility of communities. Housing development by communities should be safe, make efficient use of infrastructure, and promote a feeling of community. Housing development should also allow for diversity and affordability, and enhance quality of life.

Distribution: Promote more affordable housing opportunities distributed across communities to avoid concentration in any one area. Encourage multifamily housing throughout the City, using a variety of styles that are attractive and blend in with the local character.

Coordination of Land Use, Transportation Networks, and Infrastructure: Transportation networks and land use are complexly intertwined elements of any community. Decisions in land use affect transportation network operations and levels of service, and transportation network design and layout affects affect the viability of land uses in a particular location. Zoning amendment considerations are critical to maintaining the hierarchy of the City's roadways. Impacts and consequences of decisions on both land use and transportation should be considered thoughtfully.

Design neighborhoods in a manner that is conducive to walking and transit operations. A mix of densities, traditional neighborhood design, increased intersection density, and streets designed for cars, bicycles, and pedestrians all promote walking and create a framework for efficient public transit when it becomes available. This efficiency and holistic approach to neighborhood and street design is summed up in the principles of a concept known as the *Complete Streets* approach.¹

Greater choice in housing near commercial and employment centers reduces land consumption and increases redevelopment, thus reducing demand for new sewer, water, and transportation infrastructure significantly.

Provide for adequate transition and buffering between residential uses and industrial and commercial uses. Scaling down in density and intensity of land use between commercial centers and predominantly single-family neighborhoods can provide a smooth transition across transects. Typical buffer uses include multiple family dwellings, live-work, and mixed-use developments, park and other green spaces, and generally smaller scale, and more neighborhood-oriented commercial

¹ Complete Street – Complete Streets advocates recommend changing policies and practices of transportation planning agencies to provide mobility to all members of society, not merely those able to, financially and physically, own and operate an automobile.

uses (day care centers, corner markets, professional office, bakeries, and florists).

Encourage high density residential, commercial or industrial uses that generate significant traffic volumes adjacent to major arterials or collectors roadways and Discourage discourage low-density development that does not generate significant traffic volumes from occurring immediately adjacent to arterial roadways anticipated for long-range widening, unless adequate buffering is provided. Through coordination of the Future Land Use Map and long-range transportation planning, the identify important travel routes through and within the City have been identified. and plan-Plan for them accordingly with wider appropriate rights-of-way widths, buffer land uses, and heavy adjacent landscaping.

Ensure proposed land uses compliment and support the long range planning for utility infrastructure.

Encourage well-planned residential subdivisions, planned unit developments (PUDs), and ~~mixed-use~~ mixed-use developments to infill vacant lands, promote area redevelopment, and/or to allow for the provision of a variety or mixture of housing types not possible by strict interpretation of the subdivision and zoning ordinances. Flexibility in zoning and subdivision regulations, incentives like waived or reduced fees, and fast-tracked plan review and approval are all strategies to help accomplish this objective.

Best Practice 1.4: *Consider housing policy an opportunity to promote sustainable, adaptable, and efficient neighborhoods.*

Life-Cycle Housing: Plan for housing suitable for different stages of life, including smaller, more affordable units for first-time buyers, singles, young couples, families with many children, and older home owners, as well as opportunities for senior citizen housing and long-term care/assisted living facilities. Housing policy should work to create opportunities for people to live and grow in the same community. This will enable young couples, families and the elderly to live near relatives, and stay within their same social networks (e.g. church boundaries) throughout their lives.

Inclusionary Approach: Address housing affordability using an inclusionary approach that allows for a mixture of housing types and prices, recognizing that housing affordability is integral to the long-term success of the City. Cities should be a welcoming place for people of all walks of life. Segregating housing by type, price, and size can lead to major divides in a community, most often along socioeconomic lines. This can ultimately lead to areas of higher crime, poverty, and other challenges. Ensuring Taking steps to encourage neighborhood development that s includes housing diversity minimizes the creation of these problem areas, and leads to a more inclusive, diverse, and accepting community. Children in such communities will grow up knowing people from different ages, walks of life and from different socioeconomic groups.



Diagram of life-cycle housing
Source: Envision Utah

Objective 2: Encourage revitalization and redevelopment of the downtown area to strengthen its role as the cultural center of the community.

Downtown Elko is the commercial and cultural hub of the City and Elko's revitalization will largely result from a reinvigorated downtown. The downtown area has some noteworthy historic structures, a unique opportunity with the vacant railroad corridor, and the foundations for a vibrant city center. A Redevelopment Agency was formed to help facilitate development of the downtown. Its current project boundaries include the majority of the historic core of the City and some peripheral areas. See ATLAS Map 7. Existing RDA Area. Continued coordination between The City, should coordinate with the Elko RDA, and other stakeholders and partners in implementing the Redevelopment Plan and to identifying explore opportunities for the revitalization of the downtown is important to the success of the City's redevelopment efforts. A variety of tools, mechanisms, incentives, and strategies are available to facilitate revitalization, and these general redevelopment Best Practices are identified below:

Best Practice 2.1: Encourage and incentivize infill development over new greenfield development.

"Infill development" refers to a type of development that involves building on vacant, abandoned, or underutilized parcels in a city or community. It is a tool for growth management and urban revitalization. Infill development ensures that built up areas are developed to full capacity to reduce development of and encroachment into open spaces and undeveloped land outside of the core of the built up-area. Vacant sites and unsafe and dilapidated structures are typically identified and redeveloped into other uses that tie in with development in the immediate context. Building use, type, and architectural character should be compatible with that of the surrounding context.

Strategies for successful infill development in many communities include the following:

Infill Development Framework:

- Identify vacant and underutilized properties where infill can occur.
- Provide a community vision where infill is possible.
- Provide specific plan and design guidelines for development and redevelopment.
- Strategize with community groups, economic and business development associations, and other interested organizations and individuals to market available parcels and potential for infill development.

Review Current Regulatory Framework:

- Offer regulatory relief in the form of streamlined application processes.
- Allow mixed-use development at densities sufficiently high enough to make infill development economically feasible.
- Reduce or defer development fees and determine on a case-by-case basis whether bonds or other financial resources will be required of developers.



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- Reduce parking requirements where infill development is situated near public transportation

Fast-track Infill Development Approvals and Permits:

- Provide streamlined review process for projects categorized as infill development.

Information Sharing:

- Provide developers with current inventory of vacant and underutilized properties.
- Identify infill location priorities and potential incentives and/or financial or in-kind assistance for developing in priority locations.
- Provide information on public resources.

Support Infill Development:

- Improve public facilities and services to support infill development: such as power lines, sidewalks, water, sewer, fiber optic, etc.
- Support the Elko City Redevelopment Agency in assisting developers with the acquisition or assembly of property necessary to implement quality redevelopment projects.
- ~~Explore selling RDA owned property below market value to encourage redevelopment over new greenfield development.~~

Infill Development in Elko

Most of the infill development in Elko will occur in the downtown core, capitalizing on vacant lots and underutilized properties. Vacant and blighted areas in the downtown present great opportunities for infill development. Blight in the downtown resulted from:

- Subdivision and sale of lots of irregular and inadequate size and configuration ~~for proper usefulness~~.
- Age, obsolescence, and deterioration of buildings and structures
- Defective design and character of physical construction (faulty interior and exterior spatial arrangements)
- Inadequate streets for current travel demand
- Conflicting land uses
- New focus on developing of highway and freeway frontages
- Competition from online retail sales

The prime area for infill will be on vacant lots along Railroad and Commercial Streets in the downtown corridor, from 3rd Street to 11th Street. Buildings heights of 2-4 stories are recommended. This will create a strong street wall along the parking corridor. Other major streets that could use a stronger street wall by infill development include Silver Street, and west Idaho Street (between Mountain City Highway and 3rd Street). It is important to note that infill development ~~may could~~ potentially be allowed in locations throughout the entire City, wherever feasible and permitted by the City Code.



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These areas should respect the architectural themes in the downtown and fit seamlessly into the urban fabric. There are situations where buildings need to make an architectural statement with a deliberate departure from surrounding architectural themes. An example would include the new Elko County Complex. Architectural design that stands out should be reserved for public buildings like governmental offices, libraries, museums, ~~or~~ and community centers.

Infill developments can be most effective in downtown Elko if they are mixed-use in nature, with first floor retail and housing, or professional offices, on the subsequent upper floors. The ~~first floor~~ first-floor retail will encourage foot-traffic and animate the street, while the other uses on the upper floors will bring in the necessary population and capital to sustain new development.

Benefits of Infill Development

- Elko will be able to make better use of its urban land supply while reducing consumption of its pristine lands and open space.
- Development of mixed use with infill housing will bring people downtown and enable greater and easier access to job centers.
- Elko residents who may live downtown will reduce the time, money, energy, and air pollution associated with commuting and other use of single occupant automobiles.
- Infill development will strengthen local real estate markets and property values, and renew older neighborhoods and housing stock.
- The City will make better use of existing infrastructure and lower costs for providing certain public services such as sidewalks, water and sewer, and public safety.
- Elko will gain from having functional assets to replace brown fields and abandoned industrial areas, while creating socioeconomic diversity.
- Elko's unique culture will be supported with infill facilities that can contain cultural, educational and civic functions. These can include museums, community college, fitness centers, dance theaters etc...etc.

Best Practice 2.2: *Invest in public infrastructure improvements and public amenities in the downtown area.*

Improvements on existing, and provision of new, public infrastructure for Elko's downtown will help to achieve the goal of revitalization. It will make the downtown more attractive and reinforce its identity and importance as a regional hub. Public infrastructure and amenities will include pavement and sidewalk improvements, street furnishings and pedestrian amenities, landscaping, public art, parking corridor beautification, and park or plaza space construction.

Pavement and Sidewalk Improvements

It is important to think of downtown streets as destinations. Streets within a downtown should move multiple modes of transportation efficiently, promote gathering and social interaction, encourage shopping and business activity, and be memorable places.

Pavements and sidewalks are streetscape elements which should be well designed to limit or eliminate vehicular-pedestrian conflicts and be comfortable for all users. Strategies for achieving this in downtown Elko should include:

- Traffic Calming: Curb extensions or bulb outs, medians and islands, crosswalk markings, narrow traffic lanes, raised crosswalks, traffic circles at intersections, speed humps, and pavement textures (cobblestones, brick etc.).
- Pedestrian Improvements: Connected, improved and increased system of sidewalks, design for special needs (wheelchairs, walkers, strollers and carts), and community walkway networks including trails and mid-block pathways.
- Cycling Improvements: Increased bike parking opportunities and options, road markings and signage for bike lanes on streets, road and road shoulder management and maintenance.

The City should coordinate with relevant transportation authorities, such as NDOT and traffic engineers, to weigh, and mitigate, the impacts of such improvements on the carrying capacity of roadways in the downtown.

Street Furnishing and Pedestrian Amenities

Street furnishings and pedestrian amenities create comfort for the pedestrian and encourage visitors and residents to linger on, and use, streets. A vibrant downtown with ample pedestrian amenities attracts foot traffic at all times of the day, which results in a critical mass of people supporting/patronizing business and retail activity, restaurants, entertainment venues and civic amenities etc.

Street furnishings in the downtown should include bollards, benches, lamps, trash receptacles, public restrooms, ATMs, information kiosks, bus shelters, drinking fountains etc.



The above before and after in demonstrate how a typical street more attractive by using street improvement strategies. Also developments



Xeriscape landscaping in a

Landscaping

Landscaping is intended to complement the natural environment and helps to tie the built-up area to surrounding open spaces and pristine lands. Landscape elements include planted medians, planters, street trees, water features and natural vegetation. Street trees and plantings reduce scale, introduce a natural feel, and create more pedestrian friendly places. Trees and plants also provide heating and cooling properties by providing shade in exposed areas. Hard landscaped areas such as plazas and squares serve as gathering points for civic activity.

The introduction of new landscaped areas in the downtown will enhance the City's image and make it attractive as a destination. There is a noticeable reduction in vegetation and tree cover in the downtown in comparison to the "tree streets" and southern neighborhoods. This creates an obvious discontinuation of the rich character of landscaping that exists in the older neighborhoods.

Landscaping in the downtown would enhance the Elko experience and also encourages the visitor to linger more in the downtown. Landscaping also frames the public space and can help improve the City's place-making quality.

As Elko pursues landscaping options, it is important for the City to do so in recognition of Nevada's arid climate. For that reason, it will be necessary to the City should explore the use of additional xeriscape landscaping in areas that have not yet been landscaped, as well as and the use of native plants, particularly in public spaces.

Xeriscape landscaping is the practice of landscaping with plants that require very little water, and can survive and flourish with limited to no irrigation.

Public Art

Public art is a necessary and important element in revitalizing a downtown. It builds on the local culture and reinforces the identity of the City. Elko is endowed with a rich and diverse cultural heritage and can be very creative and draw from a wide array of sources to infuse quality public art in the downtown fabric.

Public art can be interactive or passive and appeals to, and engages, all sectors of the population. Public art contributes to a community in the following ways:

- Builds civic pride and highlights local culture
- Adds another layer of activity for downtown visitors when the art installations are interactive
- Can be a source of revenue to local artists, and (when interactive) can be a source of revenue to the City, or other authority, if a fee is required to engage art



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- Can be ~~educative~~ educational and informative
- Makes the memory of a city linger on in a visitor's mind (public art works are some of the most photographed and talked about elements in a city)
- Helps with wayfinding in a city

~~Downtown~~ Elko currently has some interesting public art works and signs. Some of these are ~~regional~~ local attractions, with examples being the 'White King' sign on Commercial Casino, and the 'Tree of Gernika' mural. The City also has unique historic and retro signs which can be celebrated and improved.

The City should work with the Arts and Culture Advisory Board, the Redevelopment Agency, and other relevant agencies to draw a plan for public art in the downtown. This plan should define a theme or message that represents Elko. The plan should also identify local resources and artists who can be recruited to create art pieces. The plan should also address exhibit, or art, turnover periods as well as maintenance schedules.

In 2017, the Arts and Culture Advisory Board received sponsorships from 49 local businesses and individuals to install Cowboy Boots painted by local artists and installed throughout the City of Elko, promoting the arts and Elko's Centennial.

Legible gateways into cities and downtowns are important and help with navigation. Gateway design should be of a similar theme with other public art pieces in the City.

Signs and fixtures should be themed as well to create a holistic identity for all, or specific parts, of the downtown.

Parking Corridor Beautification

Elko's primary parking supply is found in the vacated Union Pacific rail corridor. The corridor is one Elko-city block wide and about eight blocks long. This space defines Elko's downtown and is an invaluable resource that can be enriched and improved to make Elko's downtown a destination.

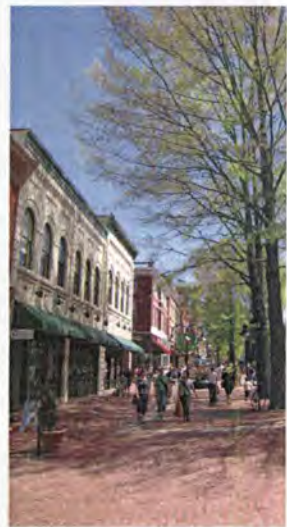
The parking corridor is functional, and provides parking opportunities for patrons and owners of businesses and restaurants in downtown. It relieves Elko of the typical problem of parking availability in downtowns. While it is only rarely filled to complete capacity, the corridor is heavily used.

However, the corridor also creates a great schism in the downtown. The corridor lacks ample vegetation or tree cover and is not designed to cater ~~for~~ to the needs of the pedestrian.

The City recently renamed the downtown park to Centennial Park and is in the process of transforming and expanding the park in accordance with the Redevelopment Plan. Green Belt Express-railroad-park which lies between 7th & 8th Streets and Railroad & Commercial Streets can serve as a model for the corridor's redevelopment, by bringing



Alleys in Elko's downtown can be c and improved for pedestrian zones Improvements may include the intr landscaping, lighting, street furnitu burying of utility/power lines



A pedestrian mall showing street and landscaping

landscaping and open public gathering space to the heart of the downtown.

While saving as many parking stalls as possible, the City should take a bold initiative and consider the following strategies for the development and revitalization of the parking corridor:

- Redesign parking stalls to allow for plant material at the periphery and core of the parking areas
 - Plant shade trees (native species) and evergreens to provide thermal comfort all year round, to reduce scale, and to bring a natural feeling to the downtown
 - Consider the provision of walkways, pedestrian malls and civic plazas, amphitheaters, etc.
 - Provide a program of activities, events and experiences that can occur in the new public amenity.
 - Redefine, rebrand and market the corridor as a functional multi-purpose community space and a regional attraction in Elko, which also provides parking for automobile users.
- Consider the full utilization of the space in winter as a venue for community gathering. Some members of the community suggested development of an ice skating rink here.
- - Consider a complete re-design of the corridor to allow for larger parking stalls, landscape areas and pedestrian access, eliminating Railroad and Commercial Streets in favor of a new, single roadway through the center of the corridor. This option creates the opportunity to widen sidewalks and eliminate the need for pedestrians to cross both a large parking lot and a roadway to reach their destination.
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Conceptual rendering, showing improvements in the downtown corridor

Park or Plaza Space

Downtown Elko can benefit from the inclusion of plazas and park spaces. As earlier discussed, the downtown parking corridor can support a programmed space that will include green parks, a pedestrian mall, formal civic spaces and water bodies. Other pocket parks can also be located at other vantage parts of the downtown. New parks and open



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spaces in downtown Elko are critical for revitalization. Urban open spaces add a layer of aesthetic quality to the urban fabric. Other advantages of providing park/plaza spaces in downtowns include:

- Park spaces provide relief to city users and a physical and psychological break from built up urban areas.
- Plazas can be used for multiple community events and are effective nodes for social interaction.
- These spaces also support street vendors and petty services, which eventually contribute to the local economy.

Utilities and Public Infrastructure

Many of the power and telephone utility infrastructure in the downtown is overhead. While overhead lines are easier to maintain and less expensive to install, they create visual clutter that obstructs views within the downtown and can be more susceptible to damage. Burying electrical and telephone lines can be cost prohibitive, but should be incorporated to the extent possible as redevelopment projects are undertaken in the downtown.

~~Although the City has completed significant water upgrade projects in the downtown area for, there are~~ ~~There have not been significant water utility service upgrades in the downtown corridor since the early to mid-1980s.~~ ~~mm~~ Many businesses which share old water services with neighboring businesses. New water distribution improvements are necessary to upgrade fire protection in many parts of the downtown corridor. As business uses change and expand, it has become evident that utility service is a development constraint in the downtown corridor. private services will need to be upsized.

The public utilities that require upgrades in the downtown corridor include water, sewer, electric power, fire suppression, natural gas and communication. Planning, engineering, and implementation of new water and sewer improvements in the downtown corridor should be undertaken from approximately Court Street to Silver Street and from approximately 2nd Street to 12th Street. New utility improvements in West Commercial Street from 2nd Street to the intersection of Silver Street and Mountain City Highway should also be investigated.

The Elko Redevelopment Agency Preliminary Plan includes a list of priority infrastructure projects. These include an upgrade of the Southwest Gas Corporation gas lines, upgrade of City water pipes, the addition of underground electrical infrastructure in the parking corridor for events, and the burying of overhead utilities throughout the downtown.

Best Practice 2.3: Promote and encourage the programming and placemaking of downtown.

Place making is a term that describes the provision of spaces like parks, plazas, squares, streets, and landscaping for the enjoyment and pleasure of people. Downtowns that have an underlying place-making objective are successful at attracting and retaining people.

While creating a tapestry of activities, sights, experiences and events these downtowns make room and offer spaces for the arts, culture, and

entertainment. Some of these spaces include open areas for public gathering, plazas, amphitheaters, band stands, etc., which help to support and promote the hosting of events.

Events in these spaces are typically programmed and managed to appeal to all ages, interests and backgrounds. A downtown that can successfully host events and programs is able to attract local residents and visitors, and the needed foot traffic to support restaurants, retail outlets, and businesses.

Continued efforts between the City of Elko, the Redevelopment Agency (RDA), the Downtown Business Association, relevant advisory boards and committees, and any other relevant stakeholders and organizations to program, organize, support and/or promote events in the downtown area is important to placemaking place making of the downtown. Elko should also explore opportunities for constructing and designating spaces for public gathering and events.

Other elements which help to make downtowns destinations, while boosting their placemaking characteristic and which Elko can continue to explore, include holiday decorations, banners on street lights, and downtown business promotions.

Objective 3: Strengthen, preserve, and promote the area around the City Park, City Hall, and Convention Center as the civic heart of the community.

Civic facilities are major and necessary in every sizable community. They tend to tie the community together because of the political, administrative and socio-cultural functions they envelope. They typically date back to the beginnings of the community and are symbols and custodians of culture, heritage, local history, and identity. Most cities have a recognizable civic heart or center, which may be separated from, or merged with, the commercial and retail hub of the downtown. The civic heart may contain buildings such as a City Hall, courthouse, library, museum, police station, convention center, park, cemetery, school, theater, etc., etc. The civic heart of a city does not typically see intense redevelopment but rather piecemeal developments which may be necessary to sustain its function and use. In many communities this focuses on historic preservation and restoration.

Elko's civic area is clearly identifiable, with most of the City's facilities generally straddling College Ave. and Cedar St./Country Club Dr.; and between Interstate 80 on the north and Idaho St. on the south. Important places within this area include Elko City Hall, Elko Convention Center, Elko Municipal Swimming Pool, Northeastern Nevada Museum, Elko County Fair Grounds and Great Basin College. The civic center in Elko is located very close to Interstate 80 on the east entrance to the City via Jennings Way.

A second civic center is found in the downtown core, with the focus there being on County and federal governmental functions. The downtown is home to the US Postal Service main office, the historic Elko County Courthouse, the new Elko County Complex, as well as a fire station and a few City offices and shops.



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Best Practice 3.1: *Enhance a civic feeling and character for this area by protecting green spaces, preserving large setbacks, and sightlines terminating at key structures or monuments.*

Special buildings require special sites. Civic buildings are landmarks that have to be celebrated in the City. They require large setbacks, open spaces, shade trees, seating areas, fountains and monuments around them. These elements help to frame and celebrate the buildings and the area. The public is also able to utilize the grounds in the civic area while enjoying the use and aesthetics of the facilities.

Since the City of Elko's civic area is not linked directly to the downtown and serves as a center on its own, it will be important that the civic area develops a strong identity. Some strategies for improving Elko's civic area include:

- Introduce gateway features – such as monuments, lamps, bollards, large potted plants, flags, signs, etc.
- Create a unifying theme – use paving material, bricks, plant/tree species, street furnishing etc. to create a theme for the entire area.
- Restore, preserve, and improve existing facilities, especially those that are of historic significance.
- Protect green spaces, open space, and preserve large setbacks to celebrate key structures.
- Introduce fountains, statues, monuments, flag poles, and other such elements which are typically used to distinguish civic areas.

Best Practice 3.2: *Locate future civic facilities in this area to strengthen its role as a community center.*

Historically, and before the large-scale use of the automobile, American settlements and towns were centered on civic uses. This core usually had the courthouse, school, post office, train station and a park. The town's Main Street was home to most of the commercial development for the community. In most cases the Main Street came through the civic core.

This arrangement of uses enabled residents to conduct all daily activities within a walking distance. The concentration of activity also brought in a vibrancy and critical mass to support commercial uses.

A call to for this type of development is going on nationwide, as downtowns are exploring strategies to be more walkable and pedestrian friendly. Concentrating complementary activities in centers and nodes goes a long way to promote this idea.

Elko's civic area can be further enhanced through the consolidation of governmental and civic services such as the Police and Fire Departments, which are currently headquartered at different parts of the City.

The civic area also presents a potential for the location of a new recreational center for the City. This facility will tie in with other facilities



A residential neighborhood with center



Neighborhoods and subdivisions designed to take advantage of space and physical features. will ensure that communities receive lands

like the City Park, Municipal Swimming Pool, and the Convention Center. The Elko City Council is working with the Boys and Girls Club to also potentially locate a new club building in this area, which could complement the park and proposed recreation center.

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Objective 4: Consider a mixed-use pattern of development for the downtown area, and for major centers and corridors, to ensure the area's adaptability, longevity and overall sustainability.

It is important to have regulations and zoning ordinances/laws to control and monitor development in communities. Zoning contributes to the overall feel and form that a community or city takes. Most American towns and cities are zoned based on the Euclidean form of zoning. Euclidean zoning is typified by the rather strict separation of land uses into specified geographic districts, with dimensional standards, which dictate development activity within each type of zone/district. Over time, this type of zoning has become familiar to city officials, the legal field, planners and design professionals. It has been acclaimed for its relative effectiveness, ease of implementation, and long-established legal precedent. However, this form of development zoning has the potential to limit the potential for the creation of mixed use activity areas, especially in downtowns. For example, areas zoned commercial in downtowns will/could have limited opportunities for residential development.

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Mixed use development zones are centers, blocks or areas within cities that allow for the development of a mix of residential, commercial, office and technical uses, a variety of building types and densities, common open space variations, clustered development and recreational facilities. They provide for a mix of uses and block types to create local, walkable connections between jobs, housing, and retail.

Best Practice 4.1: Create mixed-use zones and explore the use of form-based zoning within the downtown, at centers, and along major corridors.

Elko's current zoning primarily designates the downtown as a commercial zone. This type of broad-brush commercial designation for a downtown area limits its potential for mixed use activity. In collaboration with the RDA's Plan/Vision for the downtown, and to spur revitalization, the City could have adopted and should consider the adoption of adopting additional zoning ordinances to provide for mixed use zones within the downtown, along major corridors, and in future neighborhood centers.

Mixed-use area development can be accomplished through by allowing mixed use development projects, or simply allowing multiple types of developments to locate in the same area (i.e. an apartment building next to a restaurant). Mixed-use developments can be vertical (i.e.e.g., residential above retail) or horizontal (i.e.e.g., office next to retail).

These mixed-use zones should not be limited to commercial uses (for example office and retail), but should encourage a mix of residential and commercial units as well. This would result in a downtown that is active around the clock, and a critical mass of people to support downtown activity.

Mixing uses is more adaptable and a good long-term choice for development. Mixed-use development may benefit communities in the following ways:

- Spurs revitalization
- Encourages high quality design by providing both greater flexibility and more control
- Preserves and enhances traditional and historic centers
- Promotes a small town style mix of retail, restaurants, offices, civic uses and multi-family housing
- Provides more housing opportunities and choices
- Promotes pedestrian and bicycle travel
- Reduces auto dependency, roadway congestion, air pollution by co-locating multiple destinations
- Promotes a sense of community
- Encourages economic investment
- Promotes efficient use of land and infrastructure
- Guides development toward established areas, protecting outlying open space, rural lands and environmentally sensitive resources
- Increases revenues

Communities create mixed-use developments for a number of reasons including revitalization and economic development; a means to providing multiple housing and as an opportunity to be transit ready.

The City could consider the development of two new mixed-use zoning districts:

- One addressing downtown redevelopment that allows for taller, more intense mixed-use developments (2-4 stories), and
- Another that allows for more neighborhood scale and intensity developments (1-2 stories).

Eliminating inappropriate industrial zoning in the heart of the downtown would benefit redevelopment and revitalization of the area as well.

Best Practice 4.2: — *Consider the development of a new or updated multi-family zoning district to replace the use of conditional use permits for higher density residential development in zoning classifications.*

This would allow for those parcels which are designated Higher-Density residential in the Land Use map to be zoned for Higher-Density use streamlining the process.

Objective 5: Encourage development that strengthens the core of the City, ~~and ensure all to include~~ new annexations ~~that~~ are logical and orderly, and do not promote sprawl.

Over time, cities ~~often~~ grow both in population and geographic area. In many communities, property tax is one of a city's primary revenue streams, and therefore, outward growth and expansion is critical to sustaining the city in the long term. Elko is no different, and throughout the ~~city~~ there is a general desire to see new development and growth occur.

There are several opportunities for infill development within the City's existing municipal boundaries and islands of unincorporated land that could ultimately be annexed. However, development will also occur in the areas on the edge of Elko, and annexation of these areas will be in the best interest for the ~~city~~ and the residents of these areas.

Best Practice 5.1: *Consider the impact of proposed development on, and capacity of, existing public infrastructure (water, sewer, roadways, etc.) prior to annexation and approval.*

The key to successful growth and annexation for any city is to balance new development with the city's ability to provide services to the area. Capital construction and the ongoing maintenance of infrastructure is one of a city's largest expenses. In many cases, a developer will take responsibility for many of the capital costs in installing new roads, storm drains, water and other utilities. However, the capital cost is only a portion of the total cost of providing service to these areas, and long-term maintenance can be significant.

The City of Elko should carefully examine the impact and costs of development (capital and ongoing) and determine whether it is in the best interest of the City to annex at a particular time. Delaying annexation may mean that developments are not built to Elko City standards, but rather ~~under to~~ the County's ~~standards~~. To avoid this, the City should utilize zoning and other regulatory tools to direct development to the areas that can most easily be served by City infrastructure ~~first~~.

When considering potential annexation of properties ~~into~~ the City, the following and other relevant factors should be examined:

- Adherence to the ~~applicable~~ requirements ~~in the~~ of Nevada Revised Statutes
- Ability to provide or extend major municipal services to the area while maintaining adequate services to current residents. Such services may include, police, public safety services, parks and recreation, streets, storm water management, building safety, planning and zoning, code enforcement and other basic services.

- Ability ~~for~~ of the City to protect undeveloped areas from premature or low-density development which limits logical growth and efficient provision of services.
- Ability to require and manage quality urban development and land uses in a manner consistent with the recommendations of the City's Master Plan.
- Ability to improve the valuation of the community at-large without creating a financial burden upon current residents.
- Ability to ensure quality development consistent with the existing or desired character of the City.
- Ability to help further any identified goals, objectives and best practices of the City (e.g. provide a broad range of housing options)

The City can review and update ~~its development code~~ applicable City Code provisions to require large developments to provide an analysis of the impact their projects will have on all public services, facilities, and infrastructure (police, fire, roads, parks, water, sewer, storm drainage, emergency response, etc.) The City currently allows for planned unit developments (PUDs) and this PUD ordinance could be clarified to require that large, new developments provide all services needed to meet the demands of its residents, or pay a fee in lieu to allow the City to provide the services economically.

The City of Elko does not currently charge impact fees, but does charge connection fees for water and sewer. Nevada Revised Statutes (NRS 278B.010- 330) allow cities to collect impact fees for new developments. The applicable statute defines impact fees as: "a charge imposed by a local government on new development to finance the costs of a capital improvement or facility expansion necessitated by and attributable to the new development."

Impact fees may be collected in the State of Nevada for drainage, fire station, park, police station, sanitary sewer, storm sewer, street, and water projects. Impact fees collected are deposited in an interest-bearing account, and used to repay a bond, note, or other obligation issued on behalf of the local government to finance the capital improvements.

Before imposing an impact fee, the City Council must establish by resolution a capital improvements advisory committee. The City may designate the planning commission to serve as the capital improvements advisory committee under certain conditions.

The City and the new Capital Improvements Advisory Committee must review the land use assumptions (projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least 10 years) and determine whether they are in conformance with the master plan of the local government. The City must also develop a capital improvements plan.

Additionally, NRS 278B.260 states in pertinent part that:

The local government shall, upon the request of an owner of real property for which an impact fee has been collected, refund the impact fee and any interest and

income earned on the impact fee by the local government, if:

(a) After collecting the fee the local government did not begin construction of the capital improvement or facility expansion for which the fee was collected within 5 years after collecting the fee; or

(b) The fee, or any portion thereof, was not spent for the purpose for which it was collected within 10 years after the date on which it was collected

Establishing a capital improvements plan and the Capital Improvements Advisory Committee, will take time and resources. The City of Elko will need to determine at which point and when it becomes appropriate and necessary to start collecting impact fees. There are areas around Elko facing development pressure by very small subdivision projects. Providing services to these small subdivisions will in many cases require large-scale infrastructure projects, but the cost of such capital improvement projects cannot be fairly absorbed by these small subdivisions. An impact fee system has the potential to help address these challenges.

Resistance to impact fees typically comes from those being faced with fee payments, suggesting that it is unfair for a new development to pay the cost of services that have been provided at no charge to developments by the City in the past. A counter argument is that it is unfair for the rest of the residents of the City to subsidize the impacts of new development. Fairness is a key term in evaluating and imposing impact fees, and the US Supreme Court has ruled that impact fees must demonstrate a fair nexus (link or connection) between the fee and the impacts created by the new development.

Best Practice 5.2: *Utilize zoning and other regulatory tools to direct growth to areas that can most easily be served by infrastructure first.*

Zoning can be an effective tool to steer development to the areas where a City can most efficiently and economically serve new development to minimize the need to collect impact fees or for the other residents of the City to subsidize new development through their tax contributions.

The City has an AG zone -- or very low density which is a low-density zoning classification; -- for areas that are currently unrealistic-unlikely to or less desirable for development. This 'holding default' zone allows for limited development at rural densities. However, while areas more easily served by infrastructure would should be zoned for traditional residential development densities.

Another tool to direct growth to desirable areas is the use of flexible zoning or density bonuses. With these tools, the City could apply zoning to areas that are determined desirable for near-term development that offers options on density, lot size, or setbacks to allow developers to maximize their investments. A base density could be established, but if the developer meets certain criteria (open space set asides, park

dedication, etc.) ~~they the developer~~ could be granted increases in the allowed development density.

Another flexible zoning tool is to eliminate minimum lot sizes, in favor of maximum overall development density. This allows the developer to create a variety of lot and home sizes, to match current market demand, while still maintaining an overall development density established by the City.

Similarly, development can be directed away from areas less suitable for near-term development through preservation zones such as the existing agricultural (AG) zone. Land with steep slopes, floodplains, fault lines, and areas prone to land sliding can be protected by sensitive lands overlay zones. These overlay zones minimize risk of the loss of life or property from a natural hazard, and can protect unique environments.

Best Practice 5.3: *Coordinate planning efforts with Elko County and implement an agreement for the consistent, orderly development within the fringe areas of the City.*

The City of Elko must balance the costs imposed by regulations with the value of land within and surrounding the City, and to this end a communication agreement has been established between the City and Elko County.

If development standards and regulations are too onerous or restrictive within the City, a developer may choose to purchase property within the unincorporated areas near or adjacent to the City. Development within the County will develop under the standards in the Elko County Code. This becomes a challenge when the residents of the development begin demanding City services, or to be annexed by the ~~City~~ and the development does not meet City standards. Examples include road cross-sections and water, sanitary sewer, and storm drainage systems.

The City of Elko ~~should has developed~~ a proposed annexation map that identifies areas of unincorporated Elko County ~~having annexation potential. The city should consider further refinement of the map delineating areas~~ that fall into categories similar to the following:

Near-term Annexation Area – Areas in which the City should ~~proceed with near-term~~ to clarify service boundaries, improve logical jurisdiction boundaries or serve logical expansion ~~of for~~ near-term growth.

Priority Annexation Area – Areas that are projected for urban or suburban density development consistent with development patterns in Elko. In some cases, this development may already exist. If these areas are to develop or redevelop in urban or suburban patterns, they should first be annexed.

Other Annexation Areas ~~Annexation by Petition Area~~ – Areas that predominantly include long established residential neighborhoods which should only be annexed as a result of voluntary petition by the neighborhood. In many cases ~~r~~Residents of these neighborhoods ~~often~~

identify with Elko and function as members of the Elko Community. However, many of these areas were not developed with infrastructure and utilities that meet modern City standards. These areas should be carefully evaluated for the financial impact of needed infrastructure maintenance and improvements and the impact to the citizens of greater Elko. If annexed, it is anticipated that development agreements and other tools may be necessary to adequately address identified infrastructure limitations where they exist.

Conservation Area – These are areas where annexation is not anticipated. They are not projected to develop in suburban and urban development patterns until well in the future as infrastructure and utilities are available. These areas are generally isolated from necessary services and should not be encouraged to develop in suburban or urban patterns as remote islands served by temporary or rural utility improvements. As utilities are made available to these areas, the City should reevaluate annexation.

Elko County/City of Elko Boundary Planning Area -- It is essential for the City and County to cooperatively carry out the long-term vision and ongoing planning for unincorporated land within the Elko planning area. Planning and development management in the Elko County/City of Elko Boundary Planning Area should occur in accordance with the recommendations of the City of Elko Master Plan, including land use, subarea planning recommendations, and transportation and infrastructure recommendations. The following implementation recommendations ~~are recommended to~~ *would help* ensure proper planning in the unincorporated areas until such time that ~~as~~ *annexation* occurs ~~to~~ *they are considered for possible annexation* ~~ed~~ into the City of Elko:

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- Adopt an intergovernmental agreement between the City of Elko and Elko County to manage land use and development decisions in the unincorporated land around Elko. The agreement and planning activities should ensure such areas are not prematurely developed with rural low density uses before logical annexation and higher intensity development can occur in the City of Elko.
- Adopt an intergovernmental agreement between the City of Elko and Elko County to require any development in the unincorporated area surrounding Elko to construct urban infrastructure (e.g., streets with curb and gutter, sidewalks, street lighting, storm water management and municipal water and sanitary sewer utilities to city standards), and include local and collector street connectivity between development areas.

Objective 6: Encourage multiple scales of commercial development to serve the needs of the region, the community, and that of individual neighborhoods.



Neighborhood commercial units

Residents of Elko have a variety of needs for commercial areas. Some are looking to make major shopping trips for a variety of goods, while others simply need a quick convenience item, and still others are looking for a recreational experience. Providing a variety of shopping opportunities throughout the City is essential to the long-term success of the community, and its role as the commercial hub for the County. The City should plan for and encourage a variety of commercial districts within its boundaries, while balancing the impact of the new development on existing commercial areas.

Best Practice 6.1: *Encourage and promote the development of complete neighborhoods, including neighborhood-oriented commercial.*

The neighborhood concept is a type of development that enhances the self-sufficiency of residential neighborhoods within a city, or jurisdiction, by providing residents and visitors with multiple living choices. The neighborhoods will have an ideal density within them to support a mix of activities and land uses. Multiple residential-type uses will be available to accommodate people of different income levels. These neighborhoods also support multiple transportation modes, while encouraging walking and bicycling for short daily trips. Park strips are usually present in these neighborhoods to serve as a buffer between the pedestrian and the street. These neighborhoods will also contain a range of supportive commercial, institutional and public facilities and will also be stable, attractive and safe.

Stable neighborhoods have people aging in place and offer multiple choices for life-cycle housing. People are able to embrace the communities and find activities and services which appeal to them at all stages of life. These neighborhoods also become attractive to new residents who desire to benefit from the opportunities and services available. The neighborhood concept also promotes safety and security with the benefits of familiarity generated by a close-knit community.

Neighborhoods are primarily residential in nature with an increase in density and mixed activity towards the core or neighborhood center.

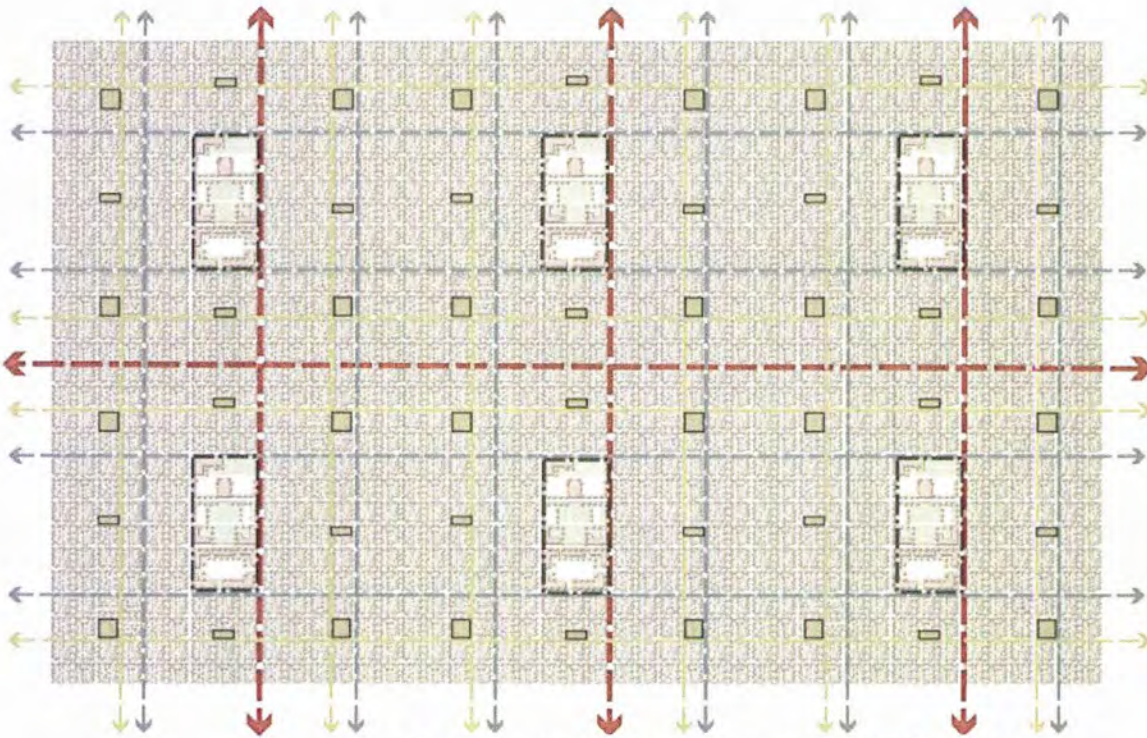
While Elko strives to develop high quality neighborhoods within new subdivisions, it will be important and necessary that certain codes and guidelines are put in place to prevent the construction of homes that destroy the fabric of the neighborhoods.

Neighborhood Centers

The neighborhood centers are typically focused on a community space, such as a school or community center, higher density housing, and or neighborhood-scaled commercial space. The centers are intended to bring elementary schools, local parks, and other civic amenities within walking distance of the vast majority of residents. The centers may abut minor arterials and collectors to create easy access and high visibility for commercial business, where available; ~~however~~ however, they are not intended to straddle major intersections.



A diagram and rendering of a typical neighborhood center, which is home to a variety of regular destinations (church, school, park, library, shopping, etc.)



The diagram above shows a conceptual layout of a series of neighborhood centers. Each center is connected to other centers by a street network. Green spaces are also well distributed within the neighborhoods. The linked centers strategically position the City for a future transit system

Table 4
Primary Trade Area Guidelines
NEIGHBORHOOD CENTERS

Minimum Population Support Required	Service Radius	Driving Time Radius
3,000-40,000	1.5 miles	5-10 minutes
Source: Urban Land Institute, <i>Shopping Center Development Handbook</i> , 3 rd ed.		

Table 5
Characteristics of Shopping Centers
NEIGHBORHOOD CENTERS

Leading Tenant	Typical Gross Leasable Area (SF)	General Range in Gross Leasable Area	Site Area (acres)
Grocery Store	50,000	30,000 – 100,000	3 - 10
Source: Urban Land Institute, <i>Shopping Center Development Handbook</i> , 3 rd ed.			

Commercial land uses are one component of a neighborhood center. Not all centers will contain commercial land uses; ~~rather, and they~~ may be exclusively civic and community facility oriented. For those that do contain commercial activities, the uses may include: grocery stores, bakeries, barber shops, beauty shops, pharmacies, florists, day care centers, dry cleaners, movie rentals, coffee shops, cafes, etc.

The character of residential housing surrounding and within the core of a neighborhood center is that of a close-knit, mixed-density community. Residents identify themselves with a particular neighborhood, and have close access to the community services located near the core service areas (e.g., schools, churches, parks, neighborhood commercial). Housing types may include small multi-family dwellings, duplexes townhouses, row homes, and smaller single-family homes.

It is important to note that even though these neighborhoods are intended to be self-sufficient, they will be part of a larger, hierarchical system/network of centers which will typically have a downtown core as its centerpiece. The composition and mix of a typical center will vary by neighborhood and will be influenced and fashioned by local factors.

The Neighborhood Concept in Elko

The neighborhood concept can be used as a component for future development of the City. Elko has a number of potential sites for new subdivisions (especially in the Northwest, North Central, and Southwest neighborhoods) and the neighborhood concept of development can be introduced in these new subdivisions. This will bring community services or neighborhood-scale commercial activities closer to residents and reduce/eliminate the need for trips to downtown Elko for simple everyday needs.

Both older and recently established neighborhoods and subdivisions can embrace the neighborhood concept by introducing community services that may create centers on vacant and underutilized lots or other potential and feasible areas that the community may identify. Reviewing zoning and development regulations to allow for neighborhood-oriented commercial in appropriate locations, as well as encouraging the clustering of neighborhood commercial with parks, churches, and schools can reinforce the development of complete neighborhoods.

Downtown Elko will still maintain its role as the commercial and cultural core of the City. The creation of neighborhood centers will not jeopardize the downtown's role, but rather complement it with an entirely different type of destination and role. The downtown will serve as a focal point of the City and the region at large, while the commercial components of neighborhood centers will provide convenient access to basic needs for residents (e.g., day care, dry cleaning, convenience grocery, coffee shops, etc.)

Potential locations for future neighborhood commercial include areas around intersections of existing and planned roadways. Examples include areas along the Lamoille Highway, 5th Street, East and West Jennings Way and along the future Errecart Drive or Cattle Drive roadways.

Best Practice 6.2: Support the development of community commercial centers in locations that serve the broader Elko community.

Elko has experienced most of its commercial development in the downtown core and along major transportation routes. The most active commercial area is along the Mountain City Highway. The City must balance the real benefits of this new commercial development with its impact on the downtown area, and work to ~~ensure~~ promote the success of all commercial centers are successful.

The City has zoned a considerable amount of land along these corridors for future commercial development, and ~~this~~ these existing zoned areas ~~is~~ are expected to be sufficient to meet the reasonably foreseeable future development needs.

Commercial businesses are most successful when they are clustered together in nodes or districts, where shoppers can visit a number of stores in a single visit. The City should work to preserve the strength of these clusters, rather than allowing new commercial development to continue to stretch outward along major corridors. Linear commercial districts often feel like strip malls and lose their attractiveness to shoppers in favor of commercial centers with a critical mass of activity.

Three community commercial centers have been identified for the City of Elko:

1. Historic Downtown

This center should continue to be ~~the~~ an important commercial center for Elko and the surrounding region. The original center of Elko, the downtown area, is envisioned to be a revitalized destination for housing, boutique shopping, office, dining, and entertainment and culture. Historic preservation and upgrading of infrastructure and streetscape are key concerns for this area.

~~A windshield survey of the downtown area identified a~~ There are a number of vacant lots and buildings in this area, and the potential for infill and greater utilization of the downtown.

2. Mountain City Highway Commercial Center

This area, with easy freeway access, has become the location for big box shopping and new chain developments. These businesses bring greater variety to Elko and County residents, and offer employment opportunities. Elko is expected to see most of its future residential development occurring in the northwest and north central neighborhoods, and this area serves those areas well.

There are 270.87 acres of commercial land currently zoned in this area. Roughly ~~55-73~~ percent of that has been developed, leaving approximately ~~120-72~~ acres still open for future commercial development. This kind of commercial center has been tremendously successful over the past 30 years and it is likely that it will continue to be a draw for Elko County residents far beyond the City's municipal boundaries.

3. Jennings Way/Idaho Street Commercial Center

This freeway interchange area is the City's eastern gateway, and many visitors' first view of Elko. Most highway commercial development has occurred at the Mountain City Highway exit to the West, but there is potential for additional commercial development in this area.

The character of this center will be hotels and automobile-oriented businesses, and the area will provide service to travelers on Interstate 80, as well as the Elko community. Several new hotels have been built at this gateway, as it is a convenient location off the freeway interchange. Typical businesses for this area may also include gas stations, restaurants, and some limited office and retail.

There are 247.36202.7 acres of commercial land currently zoned in this area. Roughly 66.90 percent of that has been developed, leaving approximately 85.20 acres still open for future commercial development.

4. Hospital/Errecart Drive Commercial Center

The area around the hospital and the proposed Errecart Drive connection is an area of potential commercial development. Commercial development in this area may include restaurants and services for nearby employees, professional offices buildings off near or adjacent to the hospital, medical laboratories, etc.

There are 326.92252 acres of commercial land zoned commercial currently zoned in this area. Roughly 49.28 percent of that has been developed, leaving approximately 265.179 acres still open for future commercial development.

The diagram below illustrates the commercially zoned areas included in the acreage totals above.



Table 6		
Primary Trade Area Guidelines COMMUNITY CENTERS		
Minimum Population Support Required	Service Radius	Driving Time Radius
40,000-150,000	3-5 miles	10-20 minutes
Source: Urban Land Institute, <u>Shopping Center Development Handbook</u> , 3 rd ed.		

Table 7			
Characteristics of Shopping Centers COMMUNITY CENTERS			
Leading Tenant	Typical Gross Leasable Area (SF)	General Range in Gross Leasable Area (SF)	Site Area (Acres)
Varies based on type: power, town, lifestyle, outlet, off-price centers	150,000	100,000 – 450,000	10 – 30
Source: Urban Land Institute, <u>Shopping Center Development Handbook</u> , 3 rd ed.			

Objective 7: Promote high quality and visually appealing industrial uses, where appropriate, to ensure economic sustainability, as well as strengthen the community's image.

Elko, like many other communities, has the opportunity to provide for industrial ~~purposes~~ uses on the edges of the City. These areas are critical to provide jobs and revenue into the Elko economy. Additional industrial acreage and sufficient infrastructure is necessary to provide space for new employers.

A related issue is the appearance of industrial areas, specifically from Interstate 80. These areas are often a visitor's first impression of Elko as they arrive by freeway and should represent Elko as a clean, well-maintained City.

Best Practice 7.1: Identify appropriate locations for additional industrial property to support the Elko economy and provide jobs for residents.

The amount of land needed in Elko for employment, business, research and development centers will vary greatly depending on the type of development planned, as well as the community's competitiveness with its economic infrastructure and its ability to utilize rail and highway for distribution purposes. In general, communities plan for 50 to 70 square

feet of industrial building space per household. If such calculation holds true in Elko, the following industrial areas would be needed in order to satisfy the demands of a growing population.

Table 8					
Industrial Land for Projected Population					
Households	Population	50 SF of Industry per Household		70 SF of Industry per Household	
5,000	13,300	250,000	5.7 acres	350,000	8 acres
7,500	19,950	375,000	8.6 acres	525,000	12 acres
10,000	26,600	500,000	11.5 acres	700,000	16 acres
Source: US Census, based on a household size of 2.66. Lewis Young Robertson & Burningham, 2008					

Industrial productions typically require large amounts of land for safety, security, buffering, and operations. The above figures refer to the production areas of an industrial operation, and actual area required will likely exceed this to accommodate for parking, offices, setbacks, and storage areas.

New industrial land should be located in close proximity to designated truck routes and infrastructure appropriate to serve the land use.

The Elko future land use plan map identifies additional industrial acreage at the eastern and western edges of town, capitalizing on the interstate, Union Pacific rail line, and the airport.

Best Practice 7.2: *Consider Apply adopting industrial and commercial design guidelines to maintain Elko's appearance at primary City gateways.*

Design guidelines for industrial properties can be very simple and can avoid adding significant expense to a project. Minimum landscaping requirements, setbacks and standards for outside storage can have a dramatic impact on the appearance of industrial areas. Elko should review its industrial zoning ordinance to incorporate minimum standards for site plans and landscaping.

More regular maintenance of outdoor storage areas and screening of storage areas with landscaping can have a positive impact. The City may want to consider reducing the area allowed for outdoor storage.

Objective 8: **Ensure that new developments do not negatively impact County-wide natural systems, and public/federal lands, such as waterways, wetlands, drainages, floodplains etc., or pose a danger to human life.**

The Elko area is home to a variety of plants and animals and contains some unique natural resources, such as the Humboldt River and the Hot Hole thermal pools. Land use regulation should address these resources and prevent significant adverse impacts to the extent reasonable.

Similarly, there are a variety of natural hazards (such as floods) that have the potential to impact human health, safety and welfare, and the City should restrict development in areas where there is a potential risk of loss of life or property. ATLAS Map 10 illustrates delineated FEMA flood zones.

Best Practice 8.1: *Promote a pattern of zoning and development along the Humboldt River that is sensitive to and compatible with the natural riparian habitat and character of this area.*

The Humboldt River, an oasis in the desert, should be carefully protected to ensure this resource remains intact and viable for future generations. Development pressure along the river has come in the form of industrial development taking advantage of the relocated Union Pacific rail line, and new residential development.

To the extent possible/practicable, the City should limit new industrial, residential and commercial development directly adjacent to the river corridor to minimize the risk of contamination or degradation. Low-density land uses, dedicated open space, or protection in the form of a sensitive lands overlay zone are recommended.

Where development does occur near the river, it should be of densities and intensities that are low enough to not put irresponsible pressure on this riparian corridor. When industrial land abuts the river corridor, a significant setback should be required to ensure there is no reduce the risk of contamination. Whenever possible, no new industrial, commercial or residential development should be permitted within the floodplain.

This river corridor is the prime location for future recreational facilities, however, and new trails, fishing, picnicking, wildlife watching, and other active recreational activities should be encouraged.

Best Practice 8.2: *Identify areas inappropriate for new development, and protect them through zoning, conservation easements, or other regulatory tools.*

There may be some areas/parts of the City and surrounding areas that are not suitable/appropriate for development. They may have very steep slopes, fall within a floodplain, or be located in other hazardous areas. They may also be critical habitat areas. In a desert environment, disruption of key habitat areas can have widespread effects, and should be avoided.

There are a number of tools available to a city and to private landowners to protect sensitive areas. A sensitive lands overlay zone is a common tool and the ordinance language can range from being very prescriptive to a few basic standards. Site plans can be required to show the location of vegetation, slopes, floodplains, and unique topographic features and an environmental review can be part of the standard plat review process.

A number of tools and programs are available to help landowners receive their investment potential without actually developing their property. Conservation easements will protect land in perpetuity, but can be written in such a way to allow for limited development. The reduced development potential of the property equates to significant tax benefits to the landowner.

Another program is a transfer of development rights (TDR), or purchase of development rights (PDR) program, where the right to develop a piece of property is either sold or traded as a commodity. The original landowner retains ownership of the permanently protected property, and receives market value for the development rights. At the same time another landowner applies the additional purchased development rights to his or her project to achieve development densities greater than typically allowed by zoning.

TDR programs can be complicated to set up and administer, but can have a win-win effect of protecting the development "sending" areas, while stimulating development in designated "receiving" areas.

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ELKO MASTER PLAN - TRANSPORTATION

INTRODUCTION
MASTER PLAN
IMPLEMENTATION
ATLAS
APPENDIX

GOALS AND OBJECTIVES

Goal: *Provide a comprehensive transportation system that facilitates the safe, efficient movement of people, goods, and services and contributes to the City's quality of life.*

Objective 1: Provide a balanced transportation system that accommodates vehicles, bicycles, and pedestrians, while being sensitive to, and supporting the adjacent land uses.

Objective 2: Provide a backbone of arterial roadways to emphasize regional vehicle travel and provide adequate capacity to move large traffic volumes, including truck traffic, safely and efficiently.

Objective 3: Explore transit options consistent with demand and available resources.

Objective 4: Promote opportunities to use major transportation corridors to beautify the City, particularly at major entry points.

Objective 5: Implement and maintain a pavement management system and curb, gutter, and sidewalk construction/maintenance program to protect the investment in existing roads.

Objective 6: Coordinate with other local and regional jurisdictions to enhance transportation services/facilities for the region.

EXISTING CONDITIONS

The City of Elko depends heavily on the motor vehicles to satisfy transportation needs. Consequently, the City's system of streets and highways is of paramount importance in terms of moving goods, services, visitors, and residents throughout the City safely, efficiently, and economically.

Elko is also strongly influenced by a network of local streets and roadways. Presently, approximately 90% of the total transportation system is comprised of local streets and roadways. As a result of recent growth and expansion, more emphasis has been placed on the local street system to meet increased demands for local transportation services and needs.

Elko's streets are also influenced by the federal and state highway system. Elko is located on the Interstate 80 (I-80) corridor, which provides linkages to major urban centers to the west and east, including



Idaho Street alive at Night



Fifth Street, Elko

Reno and Salt Lake City. Elko is located approximately 50 miles west of U.S. Highway 93, a north-south route that provides connections to Twin Falls, Idaho and Interstate 84 to the north, and Las Vegas to the south.

A number of state routes provide access to outlying rural and recreational areas and suburban growth nodes such as Spring Creek. State Route 225 follows a northerly route through private and public BLM lands, and provides connection to the Boise, Idaho area and Interstate 84.

As the City of Elko continues to experience growth, and as population and the number of motor vehicles in use expand within the region, increased burdens will be placed on the transportation network. With increased use and demand, additions and modifications to the system will be necessary to create a modern and more efficient transportation network that will effectively serve the residents of the City, the business community, and the traveling public. Transportation planning can help fulfill such an objective by identifying key issues and needs, and by advancing and programming those needs from concept to implementation and construction.

Partner Entities

NDOT and FHWA: The Nevada Department of Transportation (NDOT) and Federal Highway Administration (FHWA) are responsible for the maintenance and improvement of I-80. NDOT has jurisdiction over the state highway system including State Routes (SR) 225 and 227. NDOT is also responsible for the coordination of federal and state funding for roadway improvements throughout the Elko planning area.

Elko County RTC: The Elko County Regional Transportation Commission (RTC), prepares and approves budgets for the regional street and highway fund, plans short-range and regional plans for transportation, and may dispense federal highway funds. The Commission consists of three members: two from the County at large and one from the City of Elko. The RTC meetings are held quarterly and open to the public.

Elko County School District: The Elko County School District provides bus service for students who live more than two miles (measured by air distance, not driving distance) from their school.

Metropolitan Planning Organization Status

The Federal-Aid Highway Act of 1962 created the federal requirement for urban transportation planning largely in response to the construction of the Interstate Highway System and the planning of routes through and around urban areas. This Act required states to use a portion of federal construction funds for the planning of transportation projects in urbanized areas of 50,000 or more in population. The U.S. Census Bureau defines an urban area as: "Core census block groups or blocks that have a population density of at least 1,000 people per square mile and surrounding census blocks that have an overall density of at least 500 people per square mile."

The formation of Metropolitan Planning Organizations (MPOs) came with the Federal Highway Act of 1973. This Act was, in part, a response to concerns over environmental and social issues in transportation planning, and established MPOs as the policy bodies for metropolitan transportation planning. The Federal Highway Act of 1973 was followed by three other acts of Congress that shaped the role of MPOs today: the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), the Transportation Equity Act for the 21st Century (TEA-21), and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU).

The outcome of each successive Act set forth the national policy that MPOs are responsible for:

- Development of a metropolitan transportation plan and a transportation improvement program (TIP)
- Encourage and promote the safe and efficient development, management, and operation of surface transportation systems to serve the mobility needs of people and freight; including accessible pedestrian walkways and bicycle transportation facilities.
- Foster economic growth and development, while minimizing transportation-related fuel consumption and air pollution.
- Strive to continually develop and improve the overall metropolitan transportation planning process.

According to the 2010 Census, the City of Elko had a population of 18,297 while Elko County had a population of 48,818. The population density within Elko County does not meet the definition of an *urbanized area*. The average population density for the City of Elko is approximately 1,250 people per square mile, while the average population density for the remainder of Elko County is 2 people per square mile. Spring Creek, which is the area with largest population in close proximity to the City of Elko, has a population density of approximately 200 people per square mile.

Roadway Network

The City of Elko's existing roadway network consists of approximately 100 miles of mostly improved streets and highways. Jurisdictional authority and responsibility of the transportation network lie with federal, state, and local agencies including the Federal Highway Administration (FHWA), Nevada Department of Transportation (NDOT), the County of Elko, and the City of Elko.

The County of Elko and the City of Elko are responsible for the maintenance and improvement of local roadways within the Elko planning area, with the County having authority of areas outside of the City of Elko boundaries, and the City having authority of areas within the City of Elko boundaries.

Roadway Classifications

Roadways within a transportation network are classified based on the characteristics and function of the facility. Roadways are generally classified as primary and secondary facilities. Primary facilities commonly include freeways and roadways that are part of the federal or state highway system. Secondary facilities include roadways that are managed by local jurisdictions, and typically include arterials, collectors and local or residential streets.

The ATLAS Map 11. Roadway Classification Map shows the classifications of the roadways included in the Elko circulation system. The definition of each roadway classification category is described as follows:

Interstate

Interstate highways are high capacity facilities that are intended to accommodate regional traffic, traffic across un-urbanized areas, and traffic with origins and destinations in widely separated communities, areas, and regions.

Interstates include all components of interstate highways including divided roadway sections and interchanges. Full control of access is required, and interchanges with local arterials must be spaced at appropriate intervals to safely serve the community and outlying areas.

Right-of-Way Width:	1400 feet or more
Typical Travel Lanes:	4 lanes or more

NDOT Facilities

NDOT's classification system includes Interstate Highways, Principal Arterials, Minor Arterials, Rural Major Collectors, and Urban or Rural Minor Collectors.

NDOT facilities in the City of Elko are classified as follows:

- SR 225 (Mountain City Highway): North of Idaho Street – NDOT Minor Arterial
- SR 225 (Mountain City Highway/Idaho Street): I-80 to 5th Street: NDOT Principal Arterial
- SR 227 (5th Street/Lamoille Highway): South of Idaho Street: NDOT Minor Arterial



Major Arterial

Major Arterial

Major Arterials are similar to Principal Arterials, but are maintained and operated by the City of Elko or the County of Elko – not by NDOT. Major Arterials serve the major centers of activity within a community, and typically carry the highest traffic volumes in a community's transportation system. Major Arterials may provide direct access to adjacent properties; however, traffic flow and major traffic movements should be given priority. Development of new driveways on Major Arterials should be limited.

Right-of-Way Width: 100 feet
Typical Travel Lanes: 4 lanes or more

Minor Arterial Route

Minor Arterials connect with and augment the Principal/Major Arterial system. Minor Arterials are intended to gather and distribute traffic from Major Arterials to Collectors, and provide linkages between distinct land use districts and neighborhoods within the community. Areas served by Minor Arterials include community traffic generators, such as hospitals and high schools, and also neighborhood and local traffic destinations, such as retail/commercial centers, elementary schools, churches, or concentrations of high density residential development. Partial control of access is desired, however providing direct service and access to destination destination-oriented property is important. Direct access to individual residential lots should not be permittedbe discouraged.

Right-of-Way Width: 80 feet
Typical Travel Lanes: 2 lanes

Commercial/Industrial Collector Street

Commercial/industrial collector streets provide a connection for traffic between arterial roadways and local streets. Collectors primarily serve local destinations such as small retail or service centers, elementary schools, parks, industrial uses, and medical offices. Collector street traffic volumes are generally low to moderate.

Right-of-Way Width: 70 feet
Typical Travel Lanes: 2 lanes

Residential Collector Street

Residential collector streets provide a connection for traffic between neighborhoods and commercial/industrial collector and arterial roads. Direct access to residential properties is discouraged, however when necessary, reverse frontage residential lots are preferred. Controlled access is important, particularly for a residential type collector. Collector street traffic volumes are generally low to moderate.

Right-of-Way Width: 60 feet
Typical Travel Lanes: 2 lanes

Local Street

Local streets provide direct access to residential, commercial, industrial, and other properties, and provide connection to Collector streets. Local streets generally serve lower traffic volumes, and should be designed to minimize vehicle speeds, particularly through a residential neighborhood. In certain circumstances design features and traffic control devices such as cul-de-sacs, curvilinear street alignments, stop signs, traffic calming devices, and reduced speed limits can be utilized to help reduce speeds on local streets.

Right-of-Way Width: 50 feet



Idaho Street is a Major Arterial and serves as a business loop for I-80



Local streets, especially the 'Tree Streets' in the older neighborhoods, create a unique character for the City

Typical Travel Lanes: _____ 2 lanes

Rural Roadways

Rural Roadways provide direct access to residential properties located within the Residential Suburban (RS) zoning district. Rural Roadways typically serve lower traffic volumes under 600 vehicles per day, roadways with a traffic volume over 600 vehicles per day should be classified considered as a Collector Rural Road Residential-Collector roadway. Rural Roadways may be utilized in the RS district which are self-contained and having lots no less than ½ acre in size. are characterized as roadways that provide roadside ditches to convey stormwater, no on-street parking, and provide pedestrian access on at least one side of the roadway.

Right-of-Way Width: _____ 60 feet Local Rural Residential Road

Typical Travel Lanes: _____ 2 lanes

Right-of-Way Width: _____ 70 feet Collector Rural Residential Road

Typical Travel Lanes: _____ 2 lanes

Elko Roadway Classification

The following provides the functional classifications for roadways within the City of Elko based on existing street character and function:

Interstates and Interstate Interchanges

- Interstate 80 (I-80)
- Exit 298 (Idaho Street Interchange)
- Exit 301 (Mountain City Highway Interchange)
- Exit 303 (Jennings Way Interchange)

Principal Arterials/Other NDOT Roadways

- Lamoille Highway (State Route-SR 227)
- Mountain City Highway (SR 225)

Major Arterials

- 5th Street, between Idaho Street and Lamoille Highway (SR 227)
- 12th Street, between Idaho Street and Lamoille Highway (SR 227)
- Idaho Street
- Silver Street, Idaho Street to 5th Street

Minor Arterials

- 5th Street, north of Idaho Street
- 12th Street Extension (future)
- Cattle Drive, south of Mountain City Highway (SR 225) (future)
- College Avenue
- Errecart Boulevard, between Silver Street and Bullion Road
(classification is Major Arterial once roadway is connected)
- Errecart Boulevard, west of Lamoille Highway (SR 227)
(classification is Major Arterial once roadway is connected)

- Jennings Way, northeast of Mountain City Highway (SR 225)
(classification is Major Arterial once roadway is connected)
- Jennings Way, northwest of Idaho Street (classification is Major
Arterial once roadway is connected)
- Powder House Road
- Powder House Road Extension (future)
- Ruby Vista Drive
- Silver Street, between 5th Street and 12th Street
- Spruce Road
- Spruce Road Extension (future)

Commercial/Industrial Collectors

- 8th Street, between Elm Street and Silver Street
- 9th Street
- 12th Street, between College Avenue and Idaho Street
- 13th Street
- 14th Street
- 30th Street
- Airport Road Extension (future)
- Aspen Way, between Mountain City Highway (SR 225) and
Westwood Drive
- Chris Avenue
- Colt Drive
- College Parkway
- Commercial Street
- D Street
- Elm Street
- Fairground Road
- Front Street
- Golf Course Drive
- Last Chance Road
- Manzanita Lane
- Kittridge Canyon Road, between Paradise Drive and Idaho Street
- Pinion Road
- Railroad Street
- Silver Street, east of 12th Street
- [Stalice Street \(future\)](#) [Stalice Street \(Ruby Vista Drive to Delaware
Street\)](#)
- Stitzel Road, between Colt Way and Last Chance
- Water Street
- West Sage Street
- Wildwood Way, between Lamoille Highway (SR 227) and Stitzel
Road

Residential Collectors

- 1st Street, south of Silver Street
- 2nd Street
- 3rd Street
- Argent Avenue
- Bluffs Avenue
- Bullion Road – Wilson Avenue
- Cattle Drive, north of Mountain City Highway (SR 255) (future)
- Cedar Street, between Fir Street and 6th Street

- Cedar Street, Mountain City Highway to Fir Street and 6th Street to Idaho Street
- Clarkson Drive
- Connolly Drive
- Copper Street
- Cottonwood Drive
- Country Club Drive
- Court Street, Oak Street to 5th Street and 9th Street to 14th Street
- Delaware Street, between Statice Street and Paradise Drive
- El Armuth Drive
- Enfield Avenue
- Fairway Drive, between Skyline Drive and Keppler Drive
- Forest Lane, between Montrose Lane and Enfield Avenue
- Garcia Lane – South 11th Street
- Highland Drive
- Indian View Heights Drive
- Jennings Way, south of Mountain City Highway
- Keppler Drive
- La Nae Drive, between Bluffs Avenue and Cottonwood Drive
- Mittry Avenue ([Chris Ave to College Parkway](#))
- Montrose Lane
- Opal Drive
- Rocky Road (future)
- Ruby View Drive
- Sagecrest Drive
- Sewell Drive
- Spruce Road, between 5th Street and [Mittry Avenue-Jennings Way](#)
- Stitzel Road, between Pinion Road and Liberty Drive
- Sundance Drive

Regional Roadways

Regional Roadways are those collector or arterial streets characterized by moderate to high traffic volumes with significant traffic origins or traffic destinations outside of the corporate boundaries of the City of Elko. The following are considered Regional Roadways:

- Jennings Way Loop
- 5th Street
- Ruby Vista Drive, east of Jennings Way
- Delaware Street
- Idaho Street
- Silver Street
- Manzanita Lane
- 12th Street, south of Idaho Street
- Last Chance Road
- Bullion Road, west of Errecart Boulevard
- Errecart Boulevard

* Note that the Elko City Council approved the above list of Regional Roads; however, at this time Manzanita Lane and Last Chance Road are not recognized by the RTC as regional roads.

Roadway Capacity

Level of service (LOS) is a term used to measure and describe the operational conditions of a roadway network. Letters A through F are used to measure the LOS of a roadway segment or intersection. The following definitions are given for each level of service letter.

Table 1	
Level of Service	Definition
A	Represents free flow. Individual users are virtually unaffected by others in the traffic stream.
B	Stable flow, but the presence of other users in the traffic stream begins to be noticeable.
C	Stable flow, but the operation of individual users becomes significantly affected by interactions with others in the traffic stream.
D	Represents high-density, but stable flow.
E	Represents operating conditions at or near the capacity level.
F	Represents forced or breakdown flow.

Table 1	
Level of Service	Definition
<u>A</u>	<u>Represents free flow. Individual users are virtually unaffected by others in the traffic stream.</u>
<u>B</u>	<u>Stable flow, but the presence of other users in the traffic stream begins to be noticeable.</u>
<u>C</u>	<u>Stable flow, but the operation of individual users becomes significantly affected by interactions with others in the traffic stream.</u>
<u>D</u>	<u>Represents high-density, but stable flow.</u>
<u>E</u>	<u>Represents operating conditions at or near the capacity level.</u>
<u>F</u>	<u>Represents forced or breakdown flow.</u>

The level of service thresholds for roadway Elko, based on the Average Daily Traffic (ADT) carried by the roadway segment, are identified in Table 2.

Table 2 Average Daily Traffic Level of Service Thresholds						
Facility	Number of Lanes	Level of Service (LOS)				
		A	B	C	D	E
Interstate		46,000	84,000	120,000	145,000	163,000
NDOT Facilities/ Major Arterial	2	2,500	5,000	9,700	15,000	18,700
	4	5,000	10,000	17,500	27,400	28,900
Minor Arterial	2	2,000	4,000	7,700	12,000	15,000
	4	4,000	8,000	14,000	22,000	23,100
Collector	2	1,500	3,000	7,300	8,500	9,100

Source: Fehr & Peers, 2010

Historical Traffic Volumes and Roadway Level of Service

Historical traffic volumes for the major roadways serving the City of Elko are shown in Table 3. The historical traffic volume data was obtained from NDOT's 2008 Annual Traffic Report. Traffic volumes in the City of Elko have remained relatively steady over the last nine years, with some segments showing an increase in traffic volumes, and other segments showing a decrease in traffic volumes. College Parkway, in particular, has shown a substantial increase (15% to 20% per year) since 2000.

TABLE 3 HISTORICAL TRAFFIC VOLUMES							
Roadway (NDOT Sta. No.)	Location	Annual ADT					2007 to 2008 Annual Growth (% growth per year)
		2000 07	2002 09	2004 01	2006 01	2008 05	
I-80	Exit 301 to Exit 303	9,350 600	8,900 00	8,900 00	10,100 100	9,700 00	0.5% 1.9%
Lamoille Highway (SR 227) (319)	South of 5 th 12 th Street	20,200 0,000	20,200 1,000	18,800 1,000	20,300 2,500	20,000 3,500	-0.1% 0.8%
Mountain City Highway (SR 225) (345)	North of I- 80 Argent	2,900 700	2,750 00	3,000 00	3,250 00	3,200 00	1.3% 4.3%

**TABLE 3
HISTORICAL TRAFFIC VOLUMES**

Mountain City Highway (SR 225) (188)	I-80 to Idaho Street	18,100 2,000	16,500 9,000	17,500 3,000	19,100 4,500	20,000 5,000	1.3%	1.6%
Silver Street (359)	South of Idaho Street	11,700 4,000	11,000 4,000	11,900 3,500	12,300 5,000	14,000 5,500	2.5%	1.3%
5 th Street (SR 227) (020)	Idaho Street to Lamoille Highway (SR 227)	11,900 600	12,500 700	12,600 300	11,300 500	13,000 200	1.6%	2.0%
12 th Street (245)	Idaho Street to Lamoille Highway (SR 227)	12,500 4,000	12,700 4,000	13,000 4,000	13,400 3,000	14,000 3,500	1.5%	0.5%
Idaho Street (017)	West of Mountain City Highway (SR 225)	3,400 000	3,500 00	3,200 00	3,350 00	3,700 00	1.1%	1.0%
Idaho Street (196)	Mountain City Highway (SR 225) to 5 th Street	9,450 700	9,450 00	8,500 00	9,750 00	9,600 00	0.2%	2.1%
Idaho Street (220)	5 th Street to 12 th Street	14,300 4,000	13,900 3,000	13,200 3,000	14,500 0,500	13,000 0,500	-1.1%	3.5%
Idaho Street (5210)	12 th Street to Jennings Way	19,505 9,000	17,495 7,500	17,962 8,000	18,900 7,500	18,000 7,000	-1.0%	1.4%
5 th Street (191)	Idaho Street to I-80	8,700 800	9,400 00	9,950 00	10,000 800	9,300 00	0.9%	0.8%
5 th Street (325)	North of I-80	4,800 300	4,750 00	5,150 00	5,200 00	4,600 00	-0.5%	1.0%
College Avenue (214)	12 th Street to Idaho Street	3,050 900	2,350 00	2,800 00	2,900 00	2,700 00	-1.4%	4.5%
College Parkway (332)	North of I-80	3,200 300	4,300 00	4,400 00	4,450 00	3,700 00	21.5%	0.9%
College Parkway (333)	South of I-80	2,600 650	2,650 00	2,450 00	2,650 00	1,800 00	15.4%	2.3%
Errecart Boulevard (375)	Silver Street to Bullion Road	4,150 900	3,600 00	3,800 00	3,950 00	4,000 00	-0.5%	2.6%

**TABLE 3
HISTORICAL TRAFFIC VOLUMES**

Golf Course Drive (217)	North of College Avenue	2,850 700	3,500 00	3,550 00	3,800 00	4,200 00	5.9% -1.4%
Silver Street (222)	5 th Street to 12 th Street	7,050 700	6,850 00	7,100 00	7,400 00	7,800 00	1.3%
Silver Street (223)	5 th Street to W. Main Street	13,000	13,000	14,000	13,500	12,000	-1.0%
12 th Street (219)	College Avenue to Idaho Street	4,000 00	4,100 00	4,100 00	4,200 00	3,800 00	-1.0% -6%
13 th Street (218)	Elm Street to College Avenue	3,050 300	2,700 00	2,700 00	2,550 00	3,000 00	-0.2%
Argent Avenue (322)	East of Mountain City Highway (SR 225)	7,400 00	7,800 00	8,300 00	5,500 00	5,500 00	-3.2%
Bullion Road – Wilson Avenue (338)	Errecart Boulevard to 9 th Street	4,150 200	4,000 00	4,200 00	4,200 00	4,000 00	1.5% -0.5%
Bullion Road (339)	West of Errecart Boulevard	820	850	1,100	1,700	1,800	10.3%
Cedar Street – Country Club Drive (206)	Mountain City Highway (SR 225) to Idaho Street	2,900 900	3,100 00	3,000 00	3,300 00	2,900 00	0% -3.7%
Cedar Street (210)	5 th Street to Golf Course Road	3,100	2,900	3,600	2,500	2,500	-2.7
Elm Street (330)	Sage Street to 13 th Street	2,150 100	2,150 00	1,950 00	2,050 00	3,800 00	0% 9.6%

**TABLE 3
HISTORICAL TRAFFIC VOLUMES**

Sage Street (326)	Mountain City Highway (SR 225) to College Parkway 5th Street	3,0003 500	3,1003,4 00	3,1503,8 00	3,1003,4 00	3,2003,1 00	0.8-1.5%
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Source: 2009 Annual Traffic Report, Nevada Department of Transportation; Fehr & Peers, 2010

The existing levels of service on regional roadways, based on the Average Daily Traffic Level of Service Thresholds, are shown in Table 4.

**TABLE 4
EXISTING ROADWAY SEGMENT LEVEL OF SERVICE**

Roadway	Location	Classification	Number of Lanes	Daily Volume	Level of Service
I-80	Exit 298 to Exit 301	Interstate	4	9,7006,500	A
Lamoille Highway (SR 227)	South of 5 th Street	Principal Arterial	4	23,50020,000	D
Mountain City Highway (SR 225)	North of I-80	Principal Arterial	4	5,2003,200	A
Mountain City Highway (SR 225)	I-80 to Idaho Street	Principal Arterial	4	25,00020,000	D
Silver Street	South of Idaho Street	Principal Arterial	2	15,5004,000	D
5 th Street (SR 227)	Idaho Street to Lamoille Highway (SR 227)	Major Arterial	42	8,20013,000	CB
12 th Street	Idaho Street to Lamoille Highway (SR 227)	Major Arterial	32	13,5004,000	DC
Idaho Street	West of Mountain City Highway (SR 225)	Major Arterial	2	3,700	B
Idaho Street	Mountain City Highway (SR 225) to 5 th Street	Major Arterial	42	8,2009,600	B
Idaho Street	5 th Street to 12 th Street	Major Arterial	42	13,00010,500	C
Idaho Street	12 th Street to Jennings Way	Major Arterial	4	18,00017,000	DC
5 th Street	Idaho Street to I-80	Minor Arterial	2	9,200300	C
5 th Street	North of I-80	Minor Arterial	2	4,600900	CB

**TABLE 4
EXISTING ROADWAY SEGMENT LEVEL OF SERVICE**

College Avenue	12 th Street to Idaho Street	Minor Arterial	2	2,700,000	B
College Parkway	North of I-80	Minor Arterial	2	8,700,400	DC
College Parkway	South of I-80	Minor Arterial	2	5,800,200	CB
Errecart Boulevard	Silver Street to Bullion Road	Minor Arterial	4	4,000,400	A
Golf Course Drive	North of College Avenue	Minor Arterial	2	4,200,300	CB
Silver Street	5 th Street to 12 th Street	Minor Arterial	2	7,800,600	DD
Silver Street	5 th Street to W. Main Street	Minor Arterial			
12 th Street	College Avenue to Idaho Street	Collector	2	3,8700	C
13 th Street	Elm Street to College Avenue	Collector	2	3,000,200	B
Argent Avenue	East of Mountain City Highway (SR 225)	Collector	2	5,500,400	C
Bullion Road – Wilson Avenue	Errecart Boulevard to 9 th Street	Collector	2	4,000,300	C
Bullion Road	West of Errecart Boulevard	Collector	2	1,800	B
Cedar Street – Country Club Drive	Mountain City Highway (SR 225) to Idaho Street	Collector	2	2,900,100	B
Cedar Street	5 th Street to Golf Course Road	Collector			
Elm Street	Sage Street to 13 th Street	Collector	2	2,100,300	CB
Sage Street	Mountain City Highway (SR 225) to College Parkway	Collector	2	3,1200	C

Source: Fehr & Peers, 2010

Bicycle and Pedestrian Facilities

Currently, there is no functional non-motorized transportation system in Elko; however, the *City of Elko Bicycle and Pathway Plan* provides goals and objectives to develop an on and off-street, non-motorized transportation system for bicyclists, pedestrians, and similar users. Because of the nature and age of the street system in Elko, particularly in the core area of the City, planning and implementation of facilities for



Downtown Elko does not currently have adequate infrastructure to support active pedestrian and bicycling activity. Downtown is primarily auto-oriented

bicycles, pedestrians and other forms of non-motorized transportation has been difficult and has not been given a high priority relative to other community needs. As peripheral areas grow and develop, and as existing arterial roadways and collectors are upgraded, there will be opportunities for bicycle and pathway facilities to evolve systematically and augment the City's transportation system. It is probable that such a system will primarily serve a recreational function, but also provide alternative routes and connections between parks, schools, residential neighborhoods, and the downtown commercial area.

The bicycle and pathway system will include the following facility types:

Exclusive Shared Use Path

Exclusive Shared Use Path facilities are two-way pathways, eight to twelve feet in ~~width~~ ~~that~~ ~~width~~ ~~that~~ are separated from the vehicle travel lanes of the roadway and the pedestrian sidewalk. Shared use pathways are intended to serve multiple functions and accommodate a variety of non-motorized users, including but not limited to, bicyclists, walkers, hikers, ~~and joggers,~~ ~~in-line skaters and roller skaters.~~

Delineated Bike Lane

Bike Lane facilities are one-way bike paths within and on both sides of the improved roadway section that are four to six feet in width. Bike Lanes are separated from the vehicle travel lanes of the roadway by a painted stripe, raised curb or other physical marking.

Bike Route, Shared Roadway

Shared Roadway facilities share use of the roadway in the vehicle travel lane or parking lane.

Sidewalks

Sidewalks are an important component of the street. By accommodating pedestrian traffic, sidewalks provide an alternative form of transportation and can effectively contribute to lower vehicle volumes and a reduction in traffic congestion. Sidewalks are also a necessary safety feature, particularly in residential neighborhoods where children walk to and from local schools and parks.

Transit

Elko County and the Regional Transportation Commission (RTC) manage the ~~Elko Area Transit~~ Greater Elko Transit (EATGET) my ride service.

Airport

The Elko Regional Airport is located at 975 Terminal Way, ~~off of~~ ~~off~~ Mountain City Highway and approximately 1 mile west of Downtown Elko. The airport has two runways: a commercial runway that is 150 feet by 7,211 feet and a general aviation runway that is 60 feet by 2,879 feet. The Air Carrier Passenger Terminal is 20,000 square-feet and provides

several amenities including dining, business center, vending/game area, rental car agencies, and access to the jet bridge. Commercial service is provided by SkyWest Airlines (Delta Connection) with five two daily flights to Salt Lake City, UT. The Airport Master Plan provides additional information about the Elko Regional Airport and planned airport improvements.

Existing Transportation Deficiencies

The City of Elko is responsible for maintenance and improvement to other local streets and roadways within the corporate boundaries of the City. While 99% of these local roads are paved, a portion of the street system's infrastructure is in a serious to moderate state of disrepair and in need of improvement. A brief overview of the conditions of the City's local streets system, particularly in the older, core area of the community, is as follows:

- The paved sections of some local streets and roadways are in need of resurfacing and/or reconstruction.
- Sidewalk sections are either missing or in a state of disrepair, resulting in gaps in the pedestrian transportation system.
- Some intersections may not meet current Americans with Disabilities Act (ADA) standards but are improved to meet standards at the time of construction/improvement.
- Alleys and City-owned parking lots are in disrepair; they compete for the limited resources and are therefore not a priority to receive regular maintenance or rehabilitation.



A balanced transportation system provides opportunities for residents to use different modes of transport.

BEST PRACTICES

This Best Practices section includes a detailed explanation of each of the Elko Master Plan objectives, and provides recommendations, identifies funding sources, and suggests regulatory tools available to help implement the Master Plan's stated objectives. The purpose of this section is to ensure City leaders and decision makers have the information necessary to make sound, educated decisions for the future of Elko. The Elko Master Plan Best Practices should be referred to as staff reports are developed and as transportation network, subdivision, site plan, and zoning decisions for the City are made.

Objective 1: Provide a balanced transportation system that accommodates vehicles, bicycles, and pedestrians, while being sensitive to, and supporting the adjacent land uses.



Complete streets balance uses and accommodate multiple modes of transportation. Streets cease to be only vehicular conduits but rather become beautiful, comfortable and vibrant destinations.

Elko's transportation system should provide opportunities for residents to choose a variety of transportation modes including driving, bicycling, and



Wells Avenue Road Diet Rehabilitation Project
Reno, NV

walking. The complete street concept recognizes that transportation corridors have multiple users with different abilities and mode preferences. Approximately one third of Americans do not drive; providing for all modes creates access for children, seniors who do not drive, individuals who have a disability that limits their ability to drive, and those who do not have access to a vehicle. In addition to providing access, providing safe and comfortable facilities for all modes creates active, livable streets and contributes to a high quality of life.

Adjacent land uses influence the functionality and character of the street environment. A well-integrated street system considers the complementary relationship between land use, local and regional travel needs, and the context that it serves. Complete streets apply equally to downtown main streets and high-capacity commercial corridors, and they consider the range of users, including children, the disabled, and seniors. For example, the roadways near a school should provide upgraded pedestrian facilities to enhance pedestrian visibility and comfort and encourage walking to school. Roadways near an

industrial area need to meet different needs including accommodating tractor trailers. A balanced transportation system can revitalize areas and spur economic development/redevelopment.

Best Practice 1.1: Incorporate “Complete Streets” principles into existing and future roadways.

Complete Streets Components: Complete Streets include facilities and designs that enable safe access for all users of all ages and abilities. Characteristics of Complete Streets include:

- Comprehensive, integrated, and connected network.
- Balanced design to accommodate driving, walking, cycling, transit, parking, and deliveries.
 - Variety of uses and activities that create a varied streetscape.
 - Design that relates well to the street’s bordering uses and allows for continuous activity.
 - Pedestrian and biking facilities that promote safety and maximize access to bordering uses.
 - ~~Are ADA-compliant accessibility.~~ accessible.
 - Aesthetically designed street lights that provide sufficient illumination of sidewalks.
 - Consistent landscaping that includes street trees and landscaped medians and sidewalks.
 - Sustainable design that minimizes runoff, minimizes heat island effects, and responds to climatic demands and conserves scarce resources.



nal



- Well-maintained facilities.

Street Rehabilitation Projects: Explore opportunities to provide complete street features such as bicycle lanes, reduced vehicle travel lanes (i.e. road diets), and modified on-street parking (removing or adding based on street type and user demands) during re-stripping as part of street rehabilitation projects.

Bicycle & Pedestrian Master Planning: The *City of Elko Bicycle and Pathway Plan* is intended to provide the basic framework for the development of a functional bicycle and pathway system for the community by providing connections to outlying areas. This Master Plan replaces the *The Bicycle and Pathway Plan*. The Master Plan should be reviewed and updated every five years to identify the City's existing bicycle and pedestrian network, gaps, and plans for future bicycle and pedestrian facilities.

Consider innovative bicycle and pedestrian treatments as they are approved for use in the Manual for Uniform Traffic Control Devices. Two new treatments that could be considered include the "Hawk" (High Intensity Activated Crosswalk) pedestrian signal and the "Sharrow" shared lane pavement marking, as shown in the photos.

Hawk Pedestrian Signal: The HAWK uses traditional traffic and pedestrian signal heads but in a different configuration. It includes a sign instructing motorists to "stop on red" and a "pedestrians" overhead sign. There is also a sign informing pedestrians on how to cross the street safely.

When not activated, the signal is blanked out. The HAWK signal is activated by a pedestrian push button. The overhead signal begins flashing yellow and then solid yellow, advising drivers to prepare to stop. The signal then displays a solid red and shows the pedestrian a "Walk" indication. Finally, an alternating flashing red signal ["wig-wag"] indicates that motorists may proceed when safe, after coming to a full stop. The pedestrian is shown a flashing "Don't Walk" with a countdown indicating the time left to cross.

Sharrow: This pavement marking, used on shared use routes, indicates the legal and appropriate bicyclist line of travel, and cues motorists to pass with sufficient clearance. The purpose of this new marking is to reduce the number and severity of bicycle-vehicular crashes, particularly crashes involving bicycles colliding with suddenly opened doors of parked vehicles.

Best Practice 1.2: Promote context sensitive street design.

Roadway Functional Classification and Typology: Street typologies expand upon the roadway functional classification (found in the Elko Community ATLAS) to include street context and non-auto travel modes. Identifying a street's typology ensures that street standards are not uniformly applied based on functional classification, but also consider a street's relation to surrounding land uses, appropriate travel speeds, and need to accommodate multiple travel modes.

Most street “types” can be found in more than one functional class, and vice versa. Street design should consider both street function and street type. For example, a street that has an arterial function and a residential type will have different characteristics and design features than a residential street with a collector or local street function. Residential arterial streets serve longer distance trips than residential collector or local streets. As such, maintaining the through capacity should be a higher priority on a residential arterial than on a residential collector or local street. Similarly, a mixed-use/main collector and an industrial collector have different characteristics. A mixed-use collector should accommodate several transportation modes, while an industrial collector primarily serves heavy trucks and automobiles. Definitions of the street typologies are:

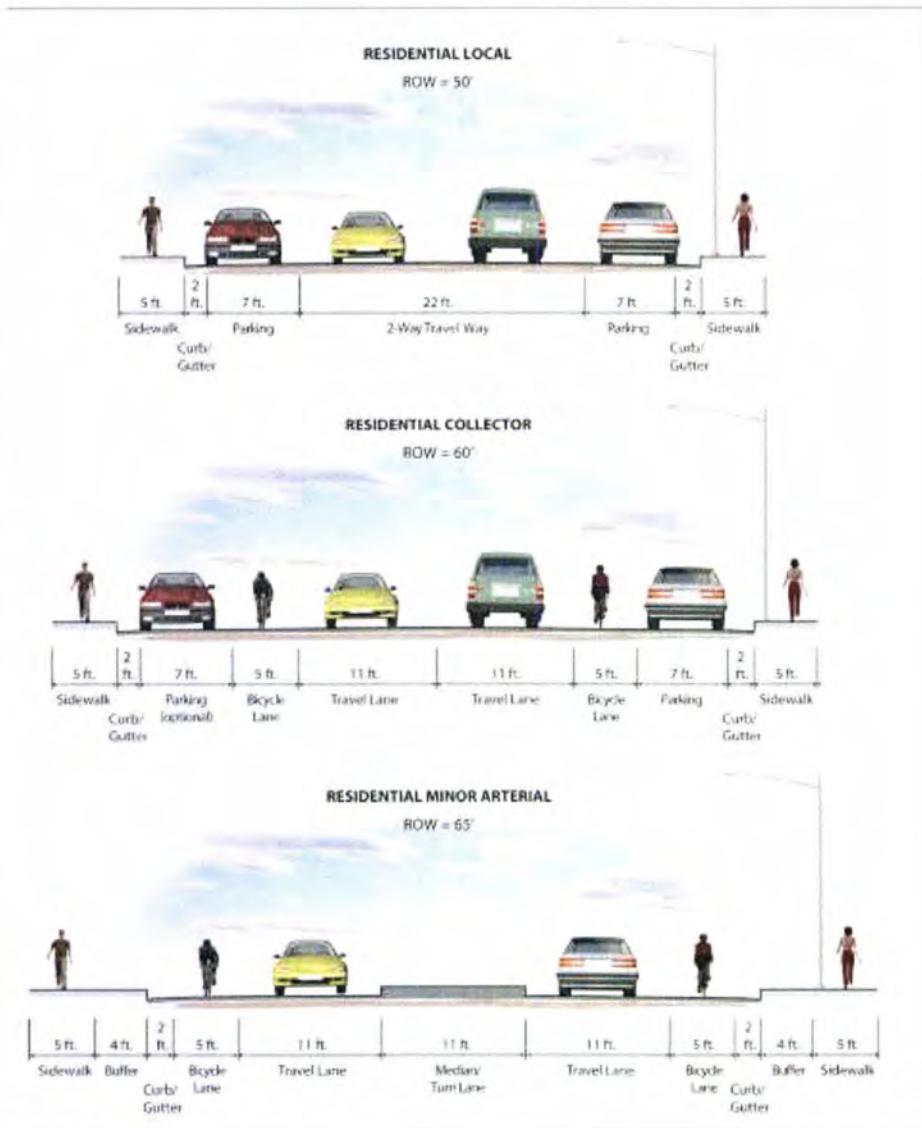
- *Residential Streets:* Residential streets serve two major purposes. As arterials, Residential streets balance multimodal mobility with land access. As collector or local streets, Residential streets are designed to emphasize walking, bicycling, and property access. In both cases, Residential streets tend to be more pedestrian-oriented than Commercial Streets.
- *Mixed-Use/Main Streets:* Mixed-Use/Main Streets serve retail centers and mixed land-use areas such as downtown areas and neighborhood centers. Unlike Commercial Streets, Mixed-Use/Main Streets are designed to promote walking, bicycling, and transit with attractive streetscape and pedestrian-oriented design elements. Generally, activities are concentrated along a two- to eight-block area, but may extend further depending on the type of adjacent land uses and the area served. Narrower street widths can be used to reduce travel speeds on main street segments. An arterial main street segment will likely include additional travel lanes and turn pockets, wider sidewalks, and curb extensions to reduce crosswalk widths.
- *Commercial Streets:* The most common Commercial streets are the strip commercial arterials. Strip commercial arterials typically serve commercial areas containing numerous small retail strip centers with buildings set back behind fronting parking lots.
- *Industrial Streets:* Industrial streets are designed to accommodate significant volumes of large vehicles such as trucks, trailers, and other delivery vehicles. Because these areas are relatively low-density, bicycle and pedestrian travel is more infrequent than in other areas, but still should be accommodated.
- *Regional Roadways:* Regional Roadways are arterial or collector streets characterized by moderate or high traffic volumes with significant origins or destinations outside the corporate boundaries of the City of Elko. They provide regional access and sometimes serve commercial or industrial land uses. Therefore, a roadway could be functionally classified as a Major Arterial, with both

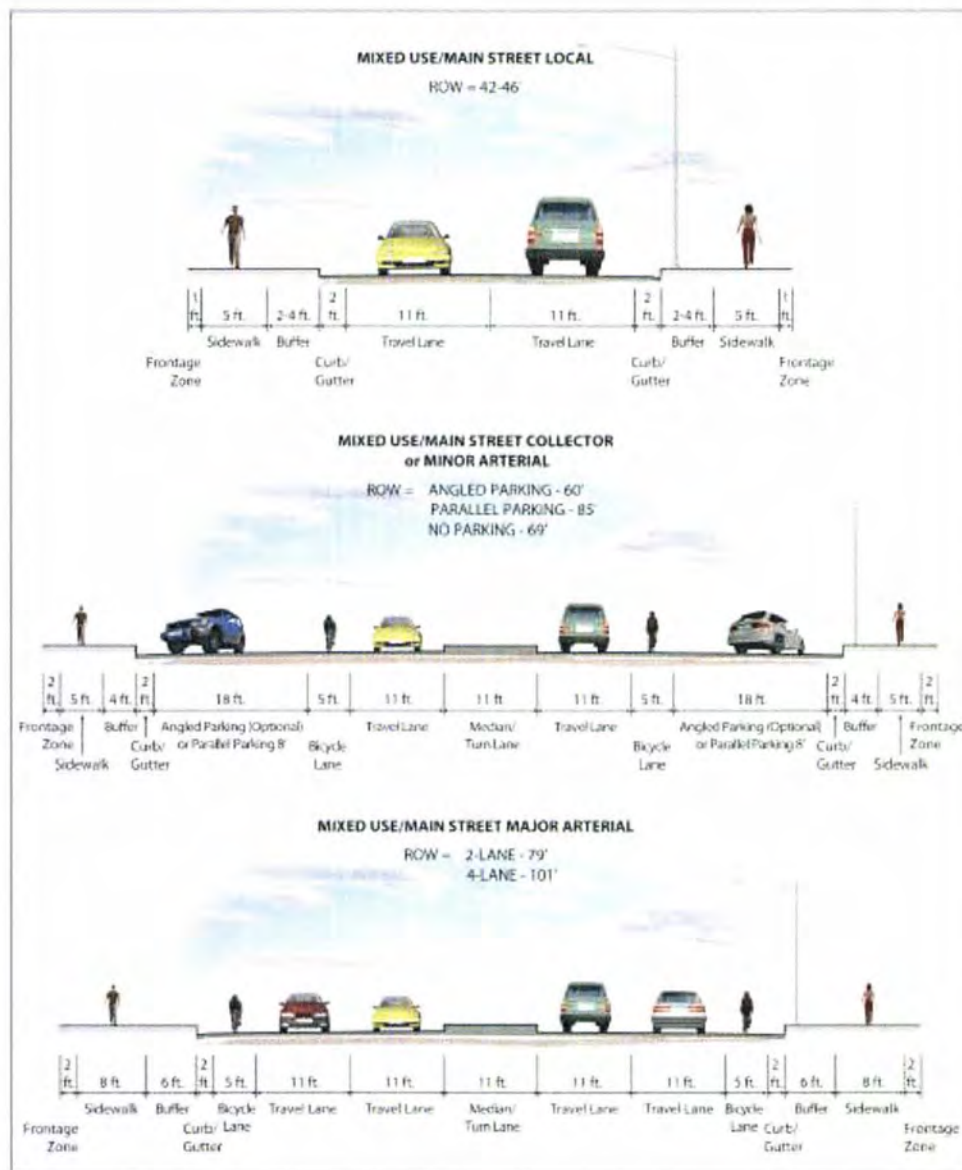
Commercial and Regional typologies. These streets promote movement of through traffic and include well spaced signalized intersections and minimal access points. Since traffic volumes are generally higher, a buffer should be provided between the travel lane and sidewalk. Regional Roadways should include a parallel Class I or Class II bicycle facility.

Table 5 provides a matrix of street typologies appropriate for each functional classification.

Table 5					
Street Typology System Integrating Street Function and Type					
Functional Classification	Street Type				
	Residential Street	Mixed-Use/ Main Street	Commercial Street	Industrial Street	Regional Roadway
Interstate (NDOT)					◆
NDOT Roadways			◆	◆	◆
Major Arterial		◆	◆	◆	◆
Minor Arterial	◆	◆	◆	◆	◆
Collector	◆	◆	◆	◆	◆
Local	◆	◆			
Source: Fehr & Peers, 2010					

each roadway typology and functional classification. The City ~~should~~ intends to periodically review and update street profile and cross-section designs.

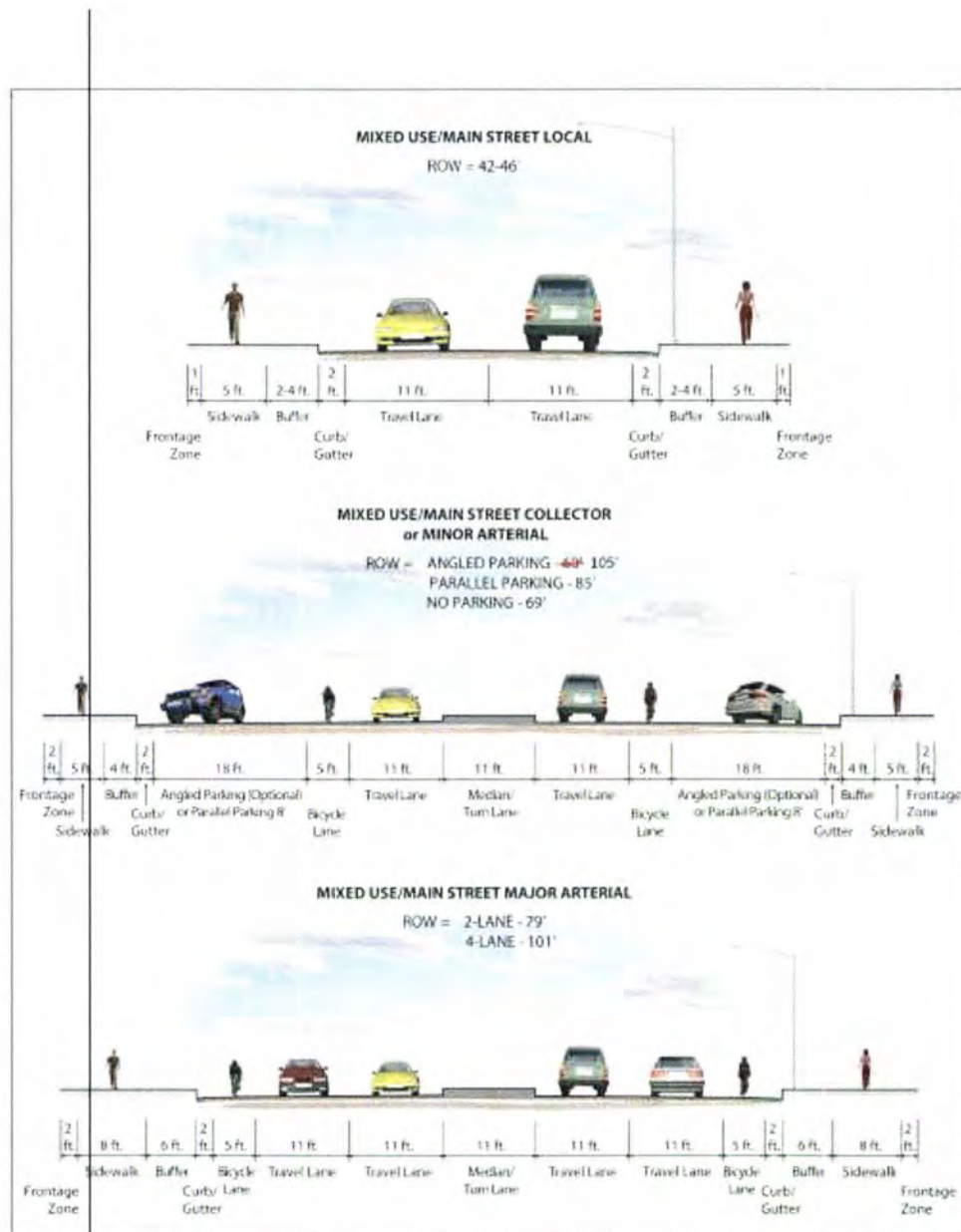




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MIXED USE/MAIN STREET CROSS SECTIONS

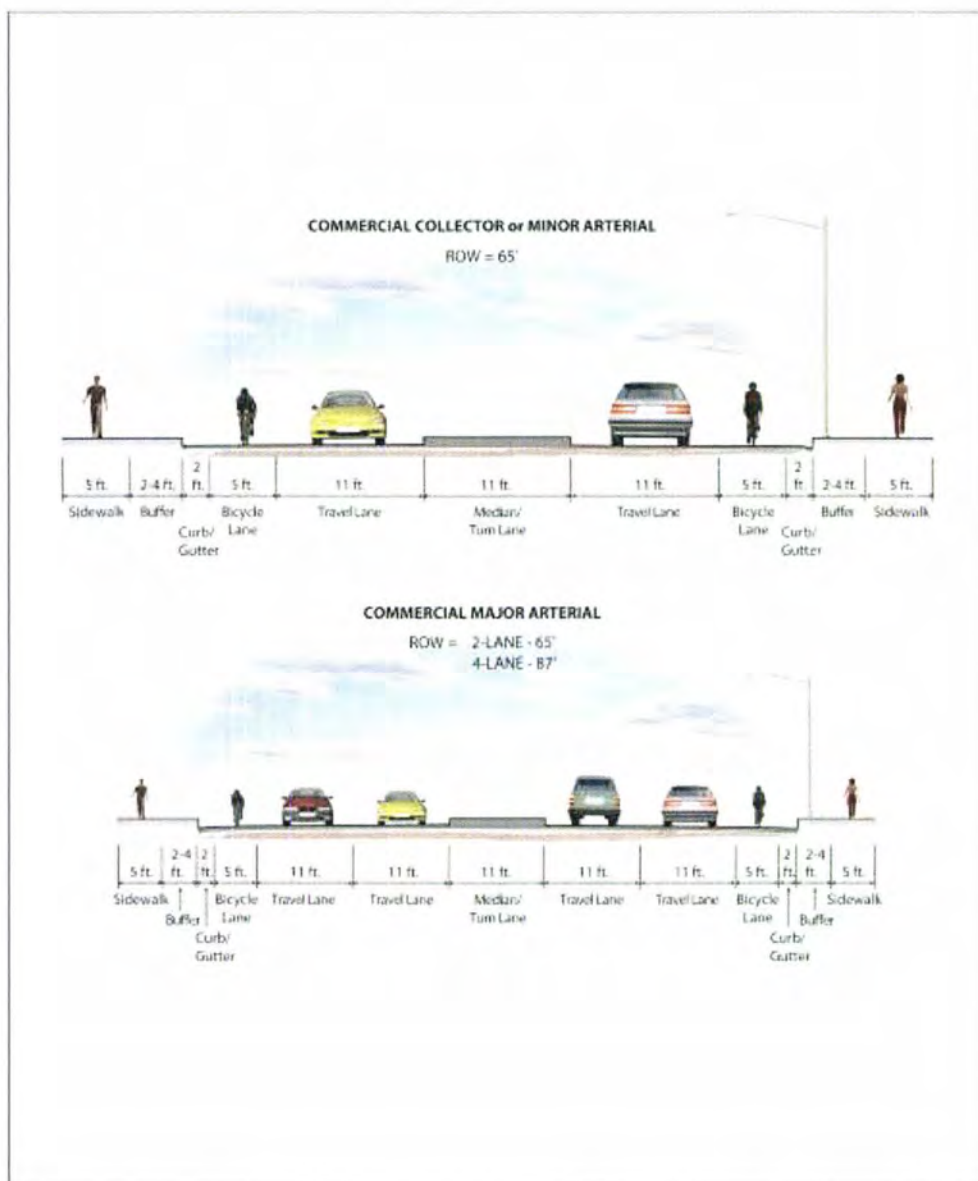
FIGURE 2



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MIXED USE/MAIN STREET CROSS SECTIONS

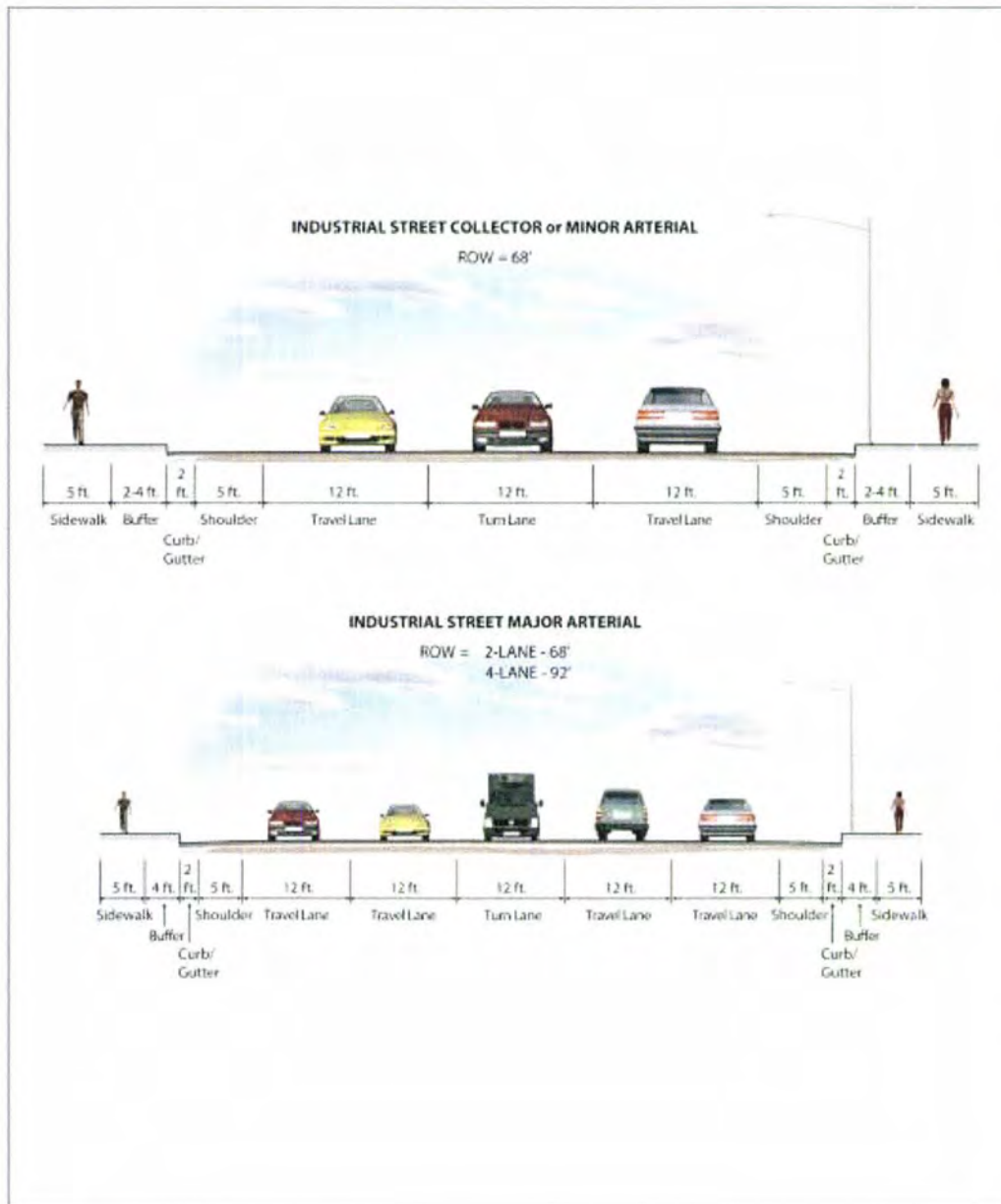
FIGURE 2



fp
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COMMERCIAL CROSS SECTIONS

FIGURE 3



FEHR & PEERS
TRANSPORTATION CONSULTANTS
1919 West 10th Street, Suite 200, Elko, NV 89801-3400
Tel: 775.738.8800 Fax: 775.738.8801 Email: info@fpe.com

INDUSTRIAL CROSS SECTIONS
FIGURE 4

The Elko Zone Code Elko Zoning Ordinance should establish appropriate standards for structural and building setbacks consistent with each land use and roadway typology/functional classification. The City intends to periodically re-evaluate these standards. For example, the building setback on a Mixed Use/Main Street may be zero (i.e. the building face is immediately adjacent to the sidewalk); whereas the setback for an industrial land use on an Industrial Street may be 20-30 feet.

In addition, excess right-of-way on existing streets should be evaluated and vacated as appropriate.

Best Practice 1.3: Early Acquisition of Right-of-Way

When feasible, right-of-way should be acquired strategically and early in the process. A component of the initial project development process should determine if right-of-way needs to be acquired for the project. Identifying right-of-way needs and acquiring it early reduces the cost and time associated with roadway improvements.

Best Practice 1.4: Employ General Parking Strategies

Parking is not an actual land use; it is a critical utility that supports many forms of land use. Well utilized and managed parking is important to commercial businesses. Parking can also serve as a travel demand management (TDM) technique. TDM is the application of strategies and policies to reduce traffic congestion, increase utilization of facilities, improve air quality, and improve transportation system performance. Balanced parking can save developers/employers money and can help reduce traffic congestion.

Shared parking is an effective method of reducing the number of required parking spaces for multiple land uses. Some combinations of land uses can effectively share the same parking, thereby reducing the amount of parking that has to be built (e.g., office and retail/restaurant). Shared parking is most effective if the following conditions are met:

- There are convenient pedestrian connections between land uses.
- The peak hours of the uses are not in substantial conflict with one another.
- Directional signs indicate the availability/location of parking.

The Urban Land Institute (ULI) shared parking process, or a modified ULI shared parking process, should be used to evaluate parking needs (particularly in Downtown or other mixed use developments).

Centralized parking facilities are an easy opportunity to share parking among land uses. A consolidation of parking makes it easier to provide identifiable, logical visitor/customer parking. When comparing centralized parking supplies versus dispersed parking supplies – large, centralized public parking serve visitor destinations within walking distance, while



Back-in angled parking has many benefits including: improved visibility for motorist existing space, increased parking capacity, better maneuverability, and ease of loading cargo.

dispersed parking serves more geography, but is sometimes harder to identify for visitors.

The following strategies have been used to add parking supply:

Off-street

- New surface lots
- Consolidate parcels
- Tandem parking (particularly for residential units)

On-street

- Angle parking (versus parallel)
- Time limits (to encourage parking turnover)
- Metered Parking (to encourage parking turnover)
- Back-In Angled Parking

~~City of Elko Zoning Ordinance should~~ The Elko Zone Code establishes appropriate standards for off-street parking minimums and/or maximums for development. The City intends to periodically re-evaluate the Zone Code for possible revisions, to include allowing ~~allow~~ for shared parking (determined using the current edition of Shared Parking published by the Urban Land Institute,) and ~~consider allowing for variances/waivers to the standard~~ is on-street parking requirements, is available adjacent to the land use. To qualify for a variance, the project developer should submit a potentially after a parking study that identifies the project's parking needs and locates the parking supply (off or on-street). Off-street parking standards ensure that the operational efficiency of the City's streets and roadway system is not impaired ~~or~~ and that public safety is not jeopardized by inappropriate use of the public right-of-way for parking. In addition, it ensures that vehicles do not spill-over into adjacent properties or neighborhoods seeking parking.

Objective 2: Provide a backbone of arterial roadways to emphasize regional vehicle travel and provide adequate capacity to move large traffic volumes, including truck traffic, safely and efficiently.

Elko's transportation system should protect and enhance neighborhoods by reducing regional traffic traveling on local streets, and provide an interconnected local street network to allow direct connections to local destinations, reduce local traffic on regional streets, and provide more regional street capacity of longer distance and through traffic. The functional classification map (in Elko Master Plan ATLAS) provides a hierarchy of streets, with arterials emphasizing regional travel, moving large traffic volumes to local streets, which provide direct and frequent access to surrounding land uses. The roadway functional classification map should be updated systematically

Strategies to provide greater street connectivity and efficient movement by all modes include:

- Consideration of roundabouts as an alternative intersection control.
- Requiring bicycle and pedestrian connections from cul-de-sacs to adjacent streets.
- Requiring new residential communities on undeveloped land to provide stubs for future connections to the edge of the property line. Where stubs exist on adjacent properties, new streets in the development shall connect to these stubs.
- Encouraging a grid-based system with maximum residential street spacing of a quarter mile.
- Requiring development to evaluate and mitigate impacts to the roadway network.

Best Practice 2.1: Level of Service

Level of service (LOS) is a general measure of traffic operating conditions whereby a letter grade, from A (least congested) to F (over capacity), is assigned. These grades represent the perspective of drivers, and are an indication of the comfort and convenience associated with driving. Additional indicators include speed, travel time, traffic interruptions, and freedom to maneuver. LOS does not represent the perspective of other roadway users (bicyclists, pedestrians, transit, etc.) and; therefore, is not the only measure of roadway performance used in this element. The LOS grades are generally defined as follows:

- LOS A represents free-flow travel with an excellent level of comfort and convenience and the freedom to maneuver.
- LOS B has stable operating conditions, but the presence of other road users causes a noticeable, though slight, reduction in comfort, convenience, and maneuvering freedom.
- LOS C has stable operating conditions, but the operation of individual users is substantially affected by the interaction with others in the traffic stream.
- LOS D represents high-density, but stable flow. Users experience severe restriction in speed and freedom to maneuver, with poor levels of comfort and convenience.
- LOS E represents operating conditions at or near capacity. Speeds are reduced to a low but relatively uniform value. Freedom to maneuver is difficult. Unstable operation is frequent, and minor disturbances in traffic flow can cause breakdown conditions.
- LOS F is used to define forced or breakdown conditions. This condition exists wherever the volume of traffic exceeds the capacity of the roadway. Long queues can form behind these bottleneck points with queued traffic traveling in a stop-and-go fashion.

These definitions are contained in the *Highway Capacity Manual* (HCM) (Transportation Research Board, 2000). The HCM methodology

is the prevailing measurement standard used throughout the United States.

Table 6 provides the Highway Capacity Manual definitions of level of service at intersections. At signalized and all-way stop controlled intersections, LOS is measured in terms of the average vehicle delay for the overall intersection. At side-street stop controlled intersections, LOS is measured in terms of the average vehicle delay for worst case stop controlled approach.

TABLE 6 INTERSECTION LEVEL OF SERVICE DEFINITIONS		
Level of Service	Signalized Intersections (Average Control Delay) ¹	Unsignalized Intersections - (Average Control Delay) ²
A	0 to ≤ 10.0 sec/veh	0 to ≤ 10.0 sec/veh
B	>10.0 to ≤ 20.0 sec/veh	>10.0 to ≤ 15.0 sec/veh
C	>20.0 to ≤ 35.0 sec/veh	>15.0 to ≤ 25.0 sec/veh
D	>35.0 to ≤ 55.0 sec/veh	>25.0 to ≤ 35.0 sec/veh
E	>55.0 to ≤ 80.0 sec/veh	>35.0 to ≤ 50.0 sec/veh
F	> 80.0 sec/veh	> 50.0 sec/veh

Sources: ¹ HCM 2000, Chapter 16, Signalized Intersections.
² HCM 2000, Chapter 17, Unsignalized Intersections.

Table 7 provides daily roadway segment level of service by functional classification based on the Highway Capacity Manual.

Table 7 Average Daily Traffic Level of Service Thresholds						
Facility	Number of Lanes	Level of Service (LOS)				
		A	B	C	D	E
Interstate		46,000	84,000	120,000	145,000	163,000
NDOT Facilities/ Major Arterial	2	2,500	5,000	9,700	15,000	18,700
	4	5,000	10,000	17,500	27,400	28,900
Minor Arterial	2	2,000	4,000	7,700	12,000	15,000
	4	4,000	8,000	14,000	22,000	23,100
Collector	2	1,500	3,000	7,300	8,500	9,100

Source: Fehr & Peers, 2010; based on Highway Capacity Manual methodology.

Typical level of service policies set LOS D as the threshold for acceptable traffic operations. As such, LOS A, B, C, and D are acceptable and LOS E and F are unacceptable and require capacity enhancements to improve the level of service to acceptable conditions. It is also common for vehicle level of service policies to not be applied to downtown/main street environments because there is greater emphasis on other travel modes, and increasing vehicle capacity can oftentimes have a negative effect on accessibility and comfort of other travel modes.

For example, if the vehicle level of service on a downtown roadway is LOS E, and the road is widened to provide more travel lanes, pedestrians now have to cross a greater distance to reach the other side of the road.

The best practice level of service policy for Elko is: Develop and manage the roadway system to obtain Level of Service (LOS) D or better for all roadways (based on daily traffic volumes) and intersections (based on AM and PM peak hour volumes). Exceptions to the LOS D policy may be allowed by the Planning Commission in cases where allowing a lower LOS would result in clear public benefit, such as the following.

- Preserving downtown community environments
- Accommodating alternative modes of transportation
- Preserving the rural character of the City
- Preserving scenic or aesthetic roadways
- Preserving open space land
- Exempting infeasible improvements due to lack of right-of-way or financing

Best Practice 2.2: Access Management

Access management involves managing the location, spacing, design, and operation of driveways, median openings, interchanges, and street connections to a roadway in a manner that preserves the safety and efficiency of the transportation system. The functional classification of the roadway network determines the access management on that roadway. Typically, arterial roadways have the highest access management standards, with the most driveway restrictions, while local streets have very limited access management and no driveway restrictions.

Access management can increase the capacity of a roadway, as well as provide additional safety benefits for vehicles, pedestrians, and bicyclists. The majority of collisions involving pedestrians and bicyclists happen at crossing locations. By managing vehicle access along a roadway and spacing intersections and driveways at appropriate intervals and frequencies, it reduces the number of crossing locations that a bicycle or pedestrian encounters on a roadway.

Individual residential lots should be designed in such a manner to preclude direct access onto an arterial roadway and to discourage direct access onto a collector roadway in order that arterials and collectors can efficiently perform their function of moving vehicular, bicycle, and pedestrian traffic without jeopardizing the safety of the residential neighborhood.

Table 8 provides Best Practices access management standards by functional classification.

Best Practice 2.3: Roadway Improvements and New Development

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TABLE 8 ACCESS MANAGEMENT STANDARDS					
Roadway Functional Classification	Signal Spacing	Driveway Spacing	Left-Turns from Roadways and Driveways	Median Treatment	Other
Arterial	1/2 Mile desired 1/3 Mile minimum	250 - 350 ft. (right in/out only with deceleration lane)	Only at Signal or Major Unsignalized Intersection/Driveway	Raised Median, TWLTL	- No more than one driveway per property on the arterial, joint driveways are recommended - Left turn in at major driveways/unsignalized roadways o.k.
Collector	1/4 Mile desired 1/5 Mile minimum	150 - 250 ft. minimum	Yes	Raised Median TWLTL	- Do not offset driveways - A maximum of one full access driveway per property
Notes: TWLTL – Two way left turn lane Sources: Fehr & Peers, 2010					

New developments ~~shall~~ should be required to extend, construct, and improve streets and roadways in accordance with standards ~~and policies contained in the City of Elko Master Plan, Engineering Standard Details, and other applicable provisions of set forth in the Elko Municipal City Code, e or the Community Development Department.~~

The City may implement requirements for developers to ~~Developments shall~~ prepare a traffic impact study if:

- The development is large. A large development is defined as a project that generates more than 1,000 daily trips, calculated using the current version of the Institute of Transportation Engineers (ITE) Trip Generation manual.
- The development is located on a roadway segment that is operating below level of service standards or is at level of service (LOS D) but within 15% of LOS E standards based on daily traffic volumes.
- The development is deemed to have impacts related to intersection capacity, safety, neighborhood, or other concerns as identified by the City of Elko or NDOT.

A traffic impact study identifies the extent of any impact on the City's network of streets and roadways, as well as identifies improvements necessary to maintain smooth flow of traffic and public safety. Table 9 displays common land uses, their daily trip generation rates (per ITE Trip Generation 8th Edition), and the approximate size of the land use to reach 1,000 daily trips.

TABLE 9 DAILY TRIP GENERATION OF COMMON LAND USES		
Land Use	Daily Trip Generation Rate	Approximate Size to Reach 1,000 daily trips (Traffic Impact Study Threshold)
Single Family Home	9.57 trips/unit	105 units
Apartment	6.65 trips/unit	150 units
Condominium	5.81 trips/unit	170 units
Shopping Center	42.94 trips/ksf	23,300 square feet
Big Box Retail	57.24 trips/ksf	17,500 square feet
Fast Food Restaurant	496.12 trips/ksf	2,000 square feet
Sit-Down Restaurant	127.15 trips/ksf	7,860 square feet
Gas Station	162.78 trips/pump	6 pumps
Office	11.01 trips/ksf	90,800 square feet
Notes: ksf= 1,000 square feet		
Sources: ITE Trip Generation, 8 th Edition, Fehr & Peers, 2010		

A traffic impact study should be prepared and sealed by a Nevada Registered Professional Engineer with experience in transportation engineering and planning. At a minimum, the traffic impact study should include the following:

- Existing transportation setting and existing roadway and peak hour intersection level of service in the project vicinity (to be determined through coordination with City of Elko staff). The existing setting should describe bicycle/pedestrian facilities and transit service.
- Project conditions including estimated trip generation (for each project phase and project build-out), potential for truck traffic, project access and circulation (passenger car and trucks), and parking.
- Existing plus project conditions including projected roadway and intersection peak hour level of service in the project vicinity, identification of significant project impacts to level of service (i.e. project causes level of service to drop to LOS E or F, or increases delay at an intersection that is already at LOS E or F by more than 5 seconds), mitigation measures at locations where the project significantly impacts the roadway network, and

qualitative discussion on the project's impact to bicycle and pedestrian facilities.

Additional elements may be required at the discretion of [City of Elko Staff](#) [the City](#).

Best Practice 2.4: Designate Truck Routes

Designating truck routes ensures that heavy truck traffic travels on roadways that are designed to accommodate heavy loads. In addition, it reduces conflicts between heavy vehicles and other travel modes. Truck routes should be designed with large turning radii at intersections (40' minimum), adequate pavement to accommodate heavy loads, and appropriate buffers between the roadway and sidewalk to minimize conflicts with pedestrians. Truck routes should be limited to NDOT facilities or arterial roadways, and not travel through the Downtown Core or residential areas.

Best Practice: 2.5: Locate Utilities where they will not hinder maintenance or improvements

Above grade utilities should not be placed within the road right of way. Utilities within the road right of way hinder maintenance and other roadway improvement efforts.

Objective 3: Explore transit options consistent with demand and available resources.

Transit is an important part of an overall transportation system. At a basic level, transit must provide service to users that do not have access to a private vehicle or are unable to operate a motor vehicle. At a minimum, service should be demand responsive to provide seniors and individuals with disabilities transportation to fulfill basic needs such as grocery shopping and medical appointments. If funding is available beyond this basic level, fixed route service should be considered. Fixed route service provides transit access to the general public via a published fixed transit route with transit stops at regular intervals. A hybrid of demand responsive service and a fixed route service is deviated fixed route service, which allows riders to request a stop that is a small distance [off of](#) the published transit route.

Best Practice 3.1: Plan for Transit

[Often](#) [a](#) [Agencies](#) [often](#) prepare a short range (zero to five years) or long range (five or more years) transit plan that identifies current services and identifies future needs and services. Typically, the planning process includes public outreach to help identify community needs. In addition, the plan evaluates land use and transportation conditions to determine locations where transit service has the highest demand. For example, higher density neighborhoods, major employment centers, and shopping centers tend to have the most demand for transit service. The City of Elko should coordinate with the local transit authority to develop a plan for the City and surrounding communities. In addition, the City should

work with the local transit authority to establish design and location standards for bus stops on public streets in Elko.

Best Practice 3.2: Identify a Location for a Transit Center

Transit centers can become a hub locations for transit connections. A major transit center can serve as a common stop for several transit routes, with timed connections. In addition, it can provide access to other transportation modes/services such as Amtrak, regional bus service (i.e. Greyhound), and bicycle rentals. Typically transit centers are located in densely populated areas that are characterized as being a major destination areas (such as a downtown, major shopping area, or major employment center). The City of Elko should intends to coordinate with the local transit authority to identify an appropriate location for a transit center.

Best Practice 3.3: Access to Schools

School buses are typically provided by school districts to transport students to schools if they live more than a specified distance from their school (i.e. greater than two miles). Within the specified distance students are encouraged to walk or ride their bicycles to school. Safe Routes to School programs and federal funding are available to improve walking conditions from neighborhoods to schools. Safe Routes to Schools programs include elements such as route mapping, improving sidewalks/crossing locations and other roadway features, escort programs that recruit parent volunteers to walk/cycle with students (walking school bus), and walking/cycling education in the classroom. By providing safe routes for students to walk and bicycle to school, it reduces the need to provide bus service within these closer proximities to schools.

Objective 4: Promote opportunities to use major transportation corridors to beautify the City, particularly at major entry points.

Transportation corridors offer a great opportunity to enhance and beautify a the City through public art, way-finding signage, and landscaping.

Best Practice 4.1: Use transportation corridors to enhance and beautify

Transportation corridors provide many opportunities to incorporate public art, banners, entry/welcome features, and landscaping. The following transportation facilities/elements provide beautification opportunities:

- Roundabouts: The center island of a roundabout provides a great space for landscaping or other art pieces. Many communities use roundabouts at entry locations and incorporate welcome features in the center island. An important consideration when using the center island for art or landscaping is to make sure the vehicle sight distance is

maintained and that vehicles can see the entire circulating roadway.

- Center Medians: Center medians provide a good space for landscaping.
- Parkway Strip: A parkway strip is the area of land that is placed as a buffer between a sidewalk and roadway. Typically, parkway strips are between 2-6 feet wide and are a good space to place landscaping (specifically trees for shade), pedestrian furniture, newspaper racks, and street lights.
- Street Lights: Street lights can provide a place to display seasonal banners or other art elements.
- Sidewalks: Sidewalks can provide a space for art elements that are incorporated into the pavement such as the photo of the Euclid Corridor in Cleveland, OH [shown on page 32](#).
- Pedestrian Furniture: Even the pedestrian furniture and fixtures (for example bicycle racks) can be public art and fit the feel or theme of the area.



Example of Pedestrian Way-finding Signage.



Example of Vehicle Way-finding Signage

Best Practice 4.2: Develop a Way-finding Signage Program

Way-finding signage directs visitors to various destinations including, but not limited to, parking, government buildings, and tourist destinations. The key to a successful way-finding signage program is to use consistent labeling on signs throughout the area, make labels clear and concise, and [locate](#) signs appropriately depending on the intended user.

Two types of way-finding signage should be provided as part of a way-finding signage program: signage for use by motorists and signage for use by pedestrians. Signage for motorists should be located at the gateways to the community and at major intersections. These signs should provide basic information directing motorists to parking and major destinations. Signage for pedestrians can provide more detailed information about various uses and [is often may be](#) provided on kiosks. In addition, the kiosk can also provide hard copies of maps and other information for pedestrians to take with them. Pedestrian level way-finding signage should be located throughout the downtown area and at entrances/exits to major destinations.

Objective 5: Implement and maintain a pavement management system and curb, gutter, and sidewalk construction/maintenance program to protect the investment in existing roads.

A pavement management system (PMS) is a tool used to estimate local roadway maintenance needs. Roadway rehabilitation projects are prioritized on a case-by-case basis utilizing factors such as pavement condition, traffic volumes, truck traffic volumes, and budget constraints. Pavement management systems often include both preventative maintenance and pavement reconstruction.

~~Typically~~Typically, a pavement management system involves rating roadways on pavement condition every 3-5 years and determining whether preventive maintenance or reconstruction is necessary.

Preventative maintenance targets streets in good condition and involves applying a slurry seal to seal small cracks, sealing wide cracks, and filling small pot holes. Roadways in good condition should receive preventative maintenance on a regular schedule (every 5-7 years) to maintain the pavement surface. This preventative maintenance keeps the pavement smooth and free of pot holes.

Pavement reconstruction is necessary when a roadway is severely damaged and can no longer hold the expected traffic loads. Rebuilding the roadway involves reconstructing both the pavement and soils beneath the pavement.

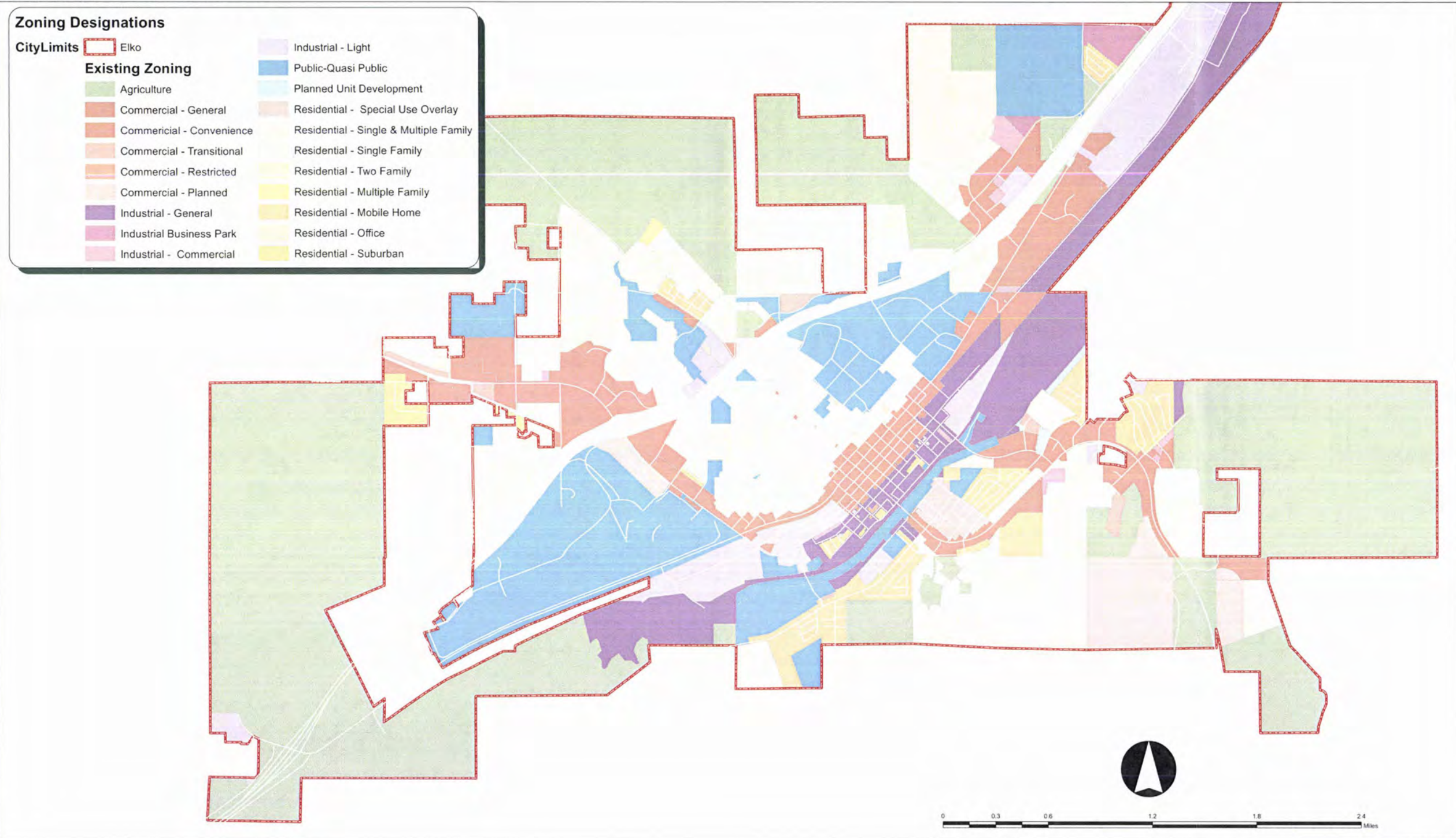
Sidewalk, curb, and gutter sections should also be maintained and replaced. Sidewalks sections that are displaced (heaved or depressed) more than 1 inch, have cracks in excess of 1 inch wide, have severely deteriorated concrete, or otherwise present a tripping hazard should be replaced. Sidewalk maintenance needs should be identified by Elko staff as well as citizen feedback.

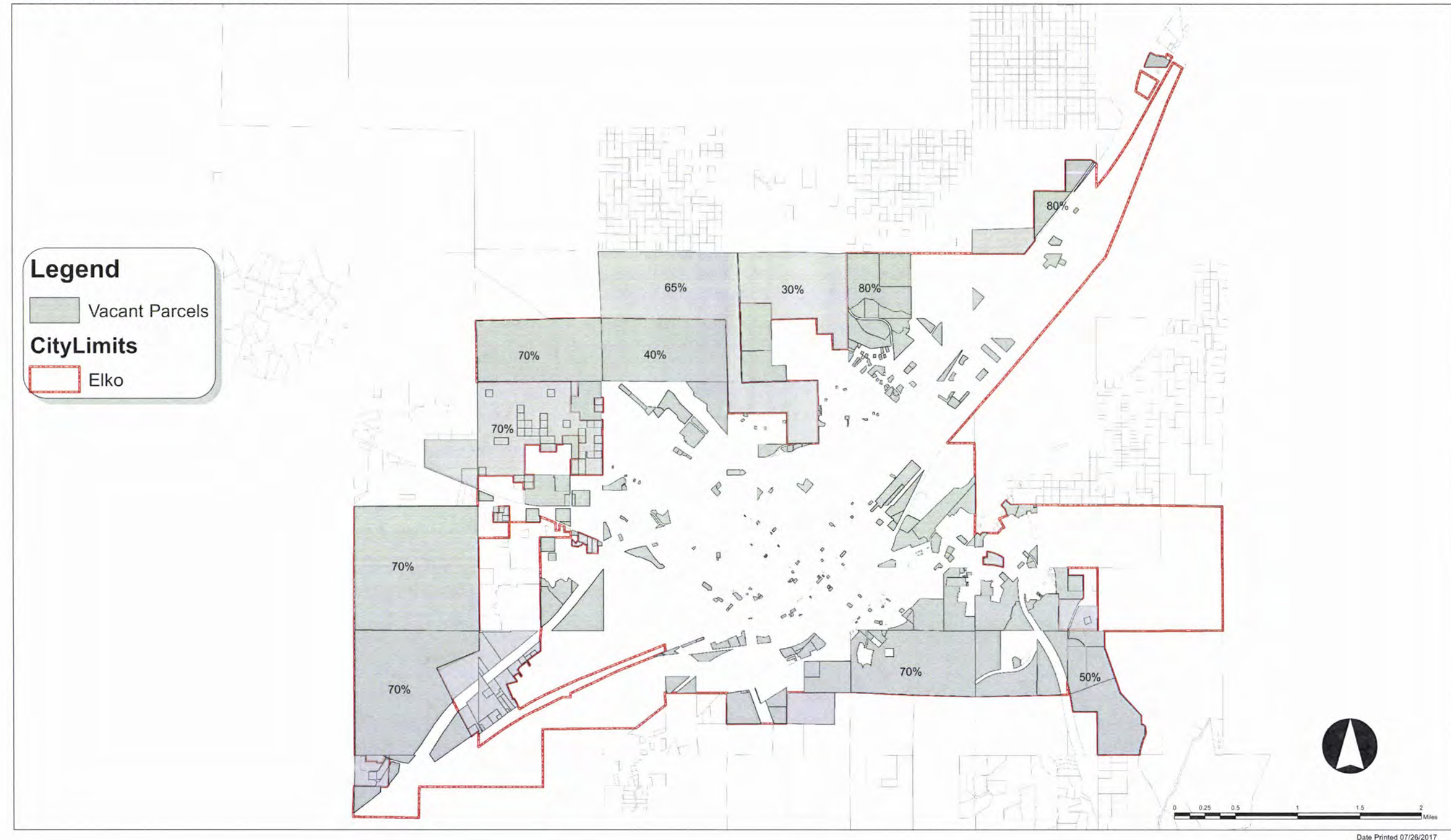
Objective 6: Coordinate with other local and regional jurisdictions to enhance transportation services/facilities for the region.

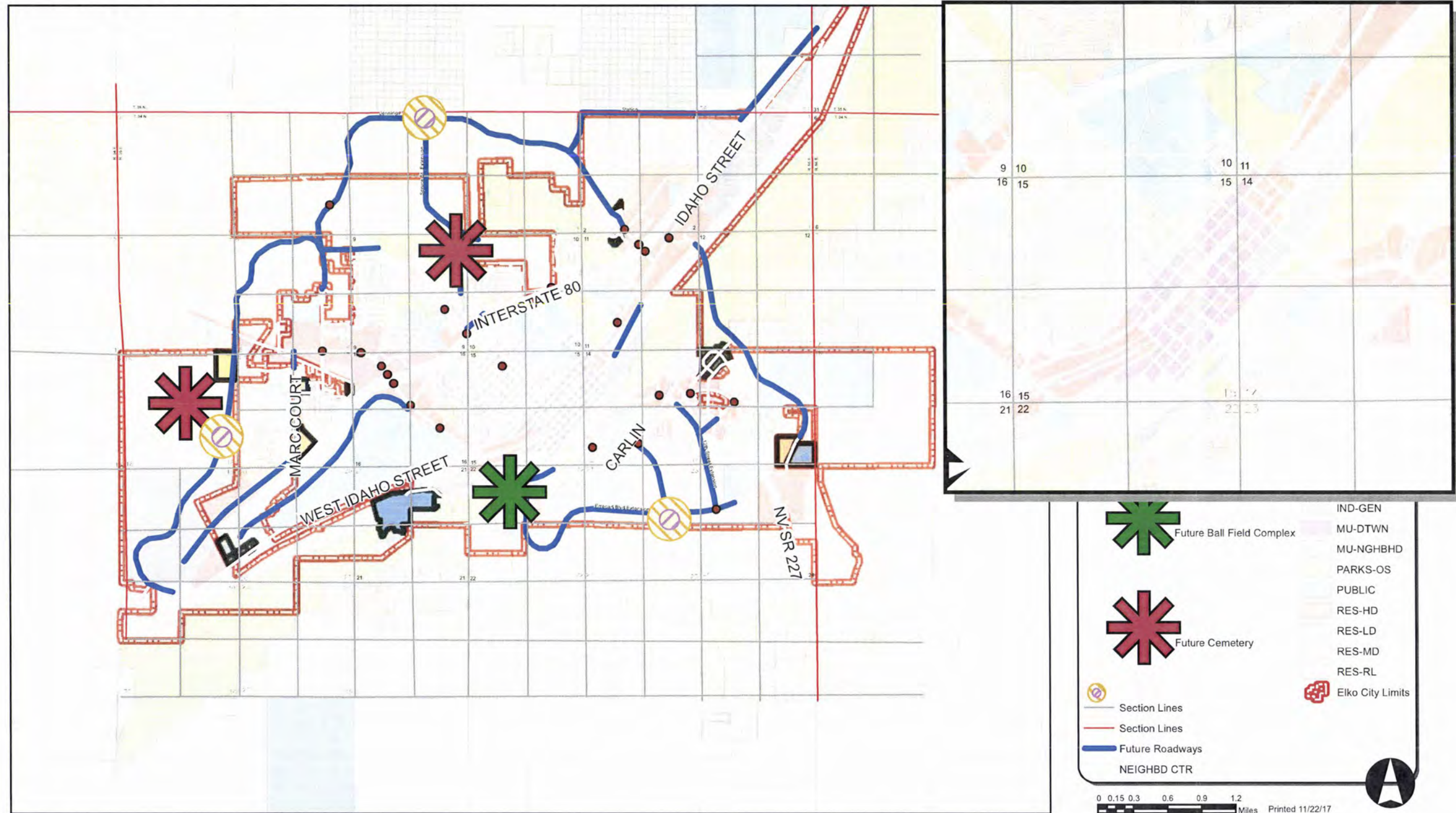
Meet regularly (at least quarterly) with partner entities such as NDOT, Elko County, the local transit authority, the Elko County School District, and public utility companies to discuss transportation, funding sources, and transportation priorities.

In addition, coordinate with other similar communities to gain knowledge on their transportation policies, funding sources, and overall system. Other communities to coordinate with could include the Cities of Fallon, Fernley, Winnemucca, Carson City, Ely, and other Nevada ~~or Utah~~ communities.

Specific coordination items include coordinating with NDOT to update the NDOT Functional Classification Map to reflect ATLAS Map 12. Roadway Classification and the ATLAS Map 13. Future Roadway Network









**ELKO CITY PLANNING COMMISSION
RESOLUTION NO. 1-17**

**A RESOLUTION OF THE ELKO CITY PLANNING COMMISSION
AMENDING THE ELKO CITY MASTER PLAN ACKNOWLEDGEMENTS BY
ADDING OTHER PLAN REFERENCES, LAND USE AND TRANSPORTATION
COMPONENTS BY UPDATING VARIOUS PROVISIONS TO REFLECT THE
GROWTH OF THE CITY AND NEW DEVELOPMENT OBJECTIVES, THE
LAND USE MAP BY CLEANING UP NUMEROUS LAND USE DESIGNATIONS,
EXISTING ZONING MAP AND VACANT LAND MAP BY UPDATING TO
REFLECT CURRENT ZONING AND VACANT LAND, AND THE
TRANSPORTATION MAP BY UPDATING ROADWAY CLASSIFICATIONS**

WHEREAS, the Elko City Planning Commission conducted a public hearing in accordance with Nevada Revised Statutes, Section 278.210 and the Elko City Code, Section 3-4-12, and

WHEREAS, the Elko City Planning Commission received public input, and reviewed and examined documents and materials related to amending the Acknowledgments, Land Use and Transportation components, and the Existing Zoning, Vacant Land, Land Use and Transportation maps of the Elko City Master Plan.

NOW, THEREFORE, BE IT RESOLVED by the Elko City Planning Commission that amended portions of the Elko City Master Plan within the Acknowledgement, Land Use and Transportation components, and the Existing Zoning, Vacant Land, Land Use and Transportation maps, are attached hereto at Exhibits 1 through 7, and that the amendments to the Elko City Master Plan attached hereto at Exhibits 1 through 7 are hereby adopted.

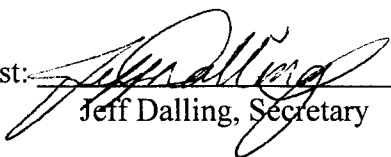
All previous versions of the amended portions of Elko City Master Plan, and all resolutions or parts of resolutions in conflict herewith are hereby repealed.

The amendments to the Elko City Master Plan attached hereto at Exhibits 1 through 7, or any portion thereof, shall be effective upon adoption by the Elko City Council.

PASSED AND ADOPTED this 5th day of December 2017 by a vote of not less than two-thirds of the membership of the Planning Commission per NRS 278.210 (3) and Elko City Code Section 3-4-12 (B).

By: 
Aaron Martinez, Chairman

Attest:


Jeff Dalling, Secretary

AYES: Chairman Aaron Martinez, Commissioner David Freistroffer,
Commissioner Jeff Dalling, Commissioner John Anderson, Commissioner
Kevin Hodur, Commissioner Stefan Beck, and Commissioner Tera
Hooiman

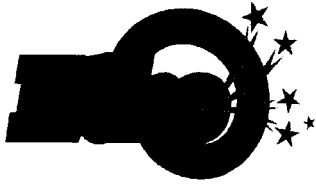
NAYS: None

ABSENT: None

ABSTAIN: None

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible action on the Planning Commission's recommendation that the City Council deny Zoning Ordinance Amendment 3-17, Ordinance No. 825, amending Title 3, Chapter 2 of the Elko City Code (entitled "Zoning Regulations") adding a new Section 29 entitled "Marijuana Establishments and Medical Marijuana Establishments Prohibited," and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **PUBLIC HEARING**
4. Time Required: **15 Minutes**
5. Background Information: **At its December 5, 2017 meeting, the Planning Commission considered the action initiated by the City Council to establish a new Section 3-2-29 of the Elko City Code to prohibit marijuana establishments and medical marijuana establishments in all zoning districts. Under State law, marijuana establishments and medical marijuana establishments cannot be licensed in areas where such uses are precluded by zoning. The Planning Commission voted to recommend denial of the amendment, in part, because Elko City Code 4-1-5 prevents the City from issuing business licenses to applicants for businesses that violate Federal law, including marijuana establishments and medical marijuana establishments. The Council must either approve or deny the Planning Commission's recommendation. CL**
6. Budget Information:
 Appropriation Required: **N/A**
 Budget amount available: **N/A**
 Fund name: **N/A**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **P.C. Action Report, Staff Memo, Ordinance 825 and related correspondence**
9. Recommended Motion: **Pleasure of the City Council**
10. Prepared By: **Cathy Laughlin, City Planner**
11. Committee/Other Agency Review: **Planning Commission, Legal review**
12. Council Action:
13. Agenda Distribution:



CITY OF ELKO

Planning Department

Website: www.elkocitynv.gov
Email: planning@elkocitynv.gov

1751 College Avenue • Elko, Nevada 89801 • (775) 777-7160 • Fax (775) 777-7219

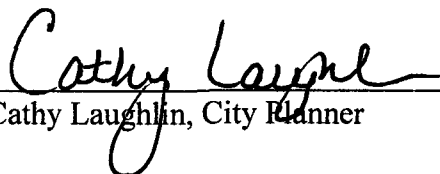
CITY OF ELKO PLANNING COMMISSION ACTION REPORT Regular Meeting of December 5, 2017

WHEREAS, the following item was reviewed and considered by the Elko City Planning Commission on December 5, 2017 under Public Hearing format, in accordance with notification requirements contained in Section 3-2-21(B)(1) of the City Code:

Zoning Ordinance Amendment 3-17, Ordinance No. 825, specifically an amendment to Title 3, Chapter 2 of the Elko City Code entitled Zoning Regulations adding a new Section 29 entitled "Marijuana Establishments and Medical Marijuana Establishments Prohibited," and matters related thereto.

NOW THEREFORE, upon review and consideration of the application, supporting data, public input and testimony, the Planning Commission forwarded a recommendation to City Council to not approve Zoning Ordinance Amendment No. 3-17.

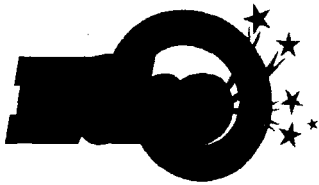
The Planning Commission's findings to support its recommendation was that such establishments are already not allowed under the City of Elko Business License process and can be handled as the Federal situation changes.


Cathy Laughlin, City Planner

Attest:


Shelby Archuleta, Planning Technician

CC: Applicant
Jeremy Draper, Development Manager (via email)
Shanell Owen, City Clerk



CITY OF ELKO

Planning Department

Website: www.elkocity.com
Email: planning@ci.elko.nv.us

1751 College Avenue • Elko, Nevada 89801 • (775) 777-7160 • Fax (775) 777-7119

Memorandum

To: Planning Commission
From: Cathy Laughlin –City Planner
Date: November 29, 2017
Meeting Date: Tuesday, December 5, 2017

Agenda Item:

1. Review, consideration, and possible action on Zoning Ordinance Amendment 3-17, Ordinance No. 825, specifically an amendment to Title 3, Chapter 2 of the Elko City Code entitled Zoning Regulations adding a new Section 29 entitled “Marijuana Establishments and Medical Marijuana Establishments Prohibited,” and matters related thereto. **FOR POSSIBLE ACTION**

Background Information:

State of Nevada passed a law allowing recreational marijuana establishments starting July 1, 2017. As a practical matter, the Elko City Code prohibits us from issuing a business license for a marijuana establishment, whether medical or recreational, because the business for which the license is applied for is unlawful under the Federal Controlled Substances Act, which is a law of the federal government. In terms of land use, we currently do not have marijuana establishments of any kind listed as principal, conditional or accessory uses in any zoning district. The Nevada State law allows for municipalities to prohibit both medical and recreational marijuana establishments through zoning ordinances or other land use restrictions. Because this is a zoning ordinance and involves a land use issue, it is referred to the Planning Commission for a recommendation to the City Council. The Nevada statute setting forth the criteria for license approval also states the distance requirements for any recreational marijuana establishment from a school is 1,000 feet and the distance from any community center, such as daycare, park, church is 300 feet. I have included a map of where a recreational marijuana establishment would be allowed within the City of Elko, assuming there were no zoning or other land use prohibitions adopted by the City.

At the October 24, 2017 meeting, City Council took action to initiate an amendment to the City Zoning Ordinance establishing a new Section 3-2-29 of the Elko City Code, and referring the matter to the Planning Commission for further action in accordance with Elko City Code Section 3-2-21.

Additional Information:

Some questions have been brought up and I would like to address some of the questions or concerns below. We do not have all of the answers as the State of Nevada is still working through many of the issues.

1. **Election results**
 - a. Elko County election results November 2000 for the legalization of medical marijuana

County wide; Yes votes: 8,527 No votes: 5,434
City of Elko; Yes votes: 3,432 No votes: 2,236

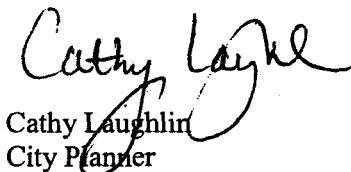
- b. Elko County election results November 2016 for the legalization of recreational marijuana
County wide; Yes votes: 8,544 No votes: 9,841
City of Elko; Yes votes: 3,218 No votes: 3,360

2. Taxes

- a. 15 percent excise tax on the wholesale sale; paid by the cultivator
The revenue goes to Nevada schools, via the distributive school account, after administrative costs for the Department and local governments.
- b. 10 percent excise tax on the retail sales; paid by the retail store.
The revenue goes to the Nevada State rainy day fund.
- c. Retail sales tax (dispensary) at the local rate of 6.85% The City of Elko gets approximately 37 percentage of all tax collected by Elko County.
- d. On top of the retail sales taxes, each jurisdiction can charge an origination fee, a license fee of a percentage of gross revenue plus quarterly or annual fee. i.e. North Las Vegas for a dispensary charges \$60,000 annual fee plus 5% gross revenue for their license fee. Mesquite for a dispensary charges \$50,000 annual fee plus 3% gross revenue for their license fee.

3. Tribal Lands

Staff has researched the Yerington dispensary and it is proposed to be on tribal land and managed by the tribe. Yerington Paiute tribe is looking for the city and Lyon County to enter into a compact with the tribe. If the city and county choose to enter into a compact with the Yerington tribe, they could collect sales tax on products sold to any non-tribal members.


Cathy Laughlin
City Planner

Attachments:
marijuana.nv.gov print out
North Las Vegas and Mesquite licensing information
Map of areas allowed in Elko

*****THE FEES LISTED BELOW ARE PROPOSED BY STAFF AND ARE SUBJECT TO CHANGE UNTIL APPROVED BY COUNCIL*****

- ☐ **Origination Fees:**
 - Cultivation (Apex Overlay District) - \$30,000
 - Production (Apex Overlay District) - \$25,000
 - Testing Laboratory - \$10,000
- ☐ **License Fees:**
 - Cultivation (Apex Overlay District) – 2% Gross Revenue *(no annual fee)*
 - Cultivation - \$30,000 Annual fee plus 3% Gross Revenue with a 1% increase every other year to 6%
 - Production (Apex Overlay District) – 2% Gross Revenue *(no annual fee)*
 - Production - \$25,000 Annual fee plus 4% Gross Revenue with a 1% increase every other year to 6%
 - Dispensary - \$60,000 Annual fee plus 5% Gross Revenue
 - Outside Medical Marijuana Establishment - \$10,000 Annual fee
 - Testing Laboratory – Gross Revenue to be calculated from fee schedule in NLVMC 5.02.080

A. When applying for a new license and the license fees are calculated upon gross sales/revenue as set forth in NLVMC Chapter 5.02, the director shall require the applicant to estimate the probable amount of revenue the business will generate during the initial license period (February – July or August – January). The gross receipts or dollar volume of the business estimated by the applicant shall be used as a basis for the license fee for the initial license period. New licenses shall be prorated on a quarterly (February – April, May – July, August – October or November – January) basis, and any license which will be in effect for any portion of a quarter shall be considered to have been in effect for that entire quarter; provided, however, that no fee may be prorated if the fee for an entire semi-annual period is \$25.00 or less.

B. Unless specifically provided otherwise in this title or in any other provision of this code, each person doing business in the city shall pay to the department, in advance, a semi-annual license fee based on gross sales or gross revenues of the business according to the associated fee listed above.

C. All license fees specified herein as determined on the basis of gross sales/gross revenues shall be calculated on the gross revenues prior to the last day of June and the last day of December of each year, and shall be due and payable on the last day of July and the last day of January immediately following the period of calculation, provided; that, if the due date falls on a weekend, a holiday, or a day on which the department is closed, the fees shall be due and payable on the next succeeding workday.

- ☐ The business location is subject to an inspection conducted by an inspector from the City of North Las Vegas. You will be contacted by the inspector to schedule the inspection once you have submitted your application. **Approval from the inspector will be provided to the Business License Division prior to the issuance of the business license and start of business.**
- ☐ **Police Department Background Investigation.** There will be a nonrefundable investigation fee as set forth by the North Las Vegas Police Department pursuant to NLVMC 5.42 for each person required to be investigated. **Applicants residing in Nevada must submit their application, investigation documentation and fees in person to the Business License Division.** Investigation documentation consists of the following: Applicant's Request to Release Information, Personal History Questionnaire, and City of North Las Vegas City I.D. Form. Applicants will then be referred to the City of North Las Vegas, Police Department, Work Card Fingerprint Bureau to schedule an appointment. The Police Department is located at 1301 East Lake Mead Boulevard. The Work Card Fingerprint Bureau is open Monday through Thursday, 8:30 a.m. to 4:00 p.m. for processing of business license investigations. The applicant must bring a government issued ID for identification purposes (IE Driver's license, state issued identification card, passport, military ID or permanent resident alien card). Applicants providing a permanent resident alien card must also provide another form of government issued identification. **Applicant's residing outside Nevada may submit their application, investigation documentation and fees via mail.** Applicants must submit all required investigation documentations along with one FBI approved fingerprint card and a color copy of a government issued ID (IE Driver's license, state issued identification card, passport, military ID or permanent resident alien card). Applicants providing a permanent resident alien card must also provide another form of government issued identification. Please note that fingerprint cards must be obtained from a qualified law enforcement agency (IE police department, sheriff's department, etc.) *Please note that the processing time for the investigation is approximately one to two weeks.*
- ☐ **Work Card** issued by the City of North Las Vegas Police Department. All owners, operators and employees of Medical Marijuana Establishments must obtain and maintain a valid work card from the City of North Las Vegas Police Department. Individuals subject to the background investigation requirement referenced above will submit their work card fee as published pursuant to NLVMC 5.42.010 C along with their investigation fee to the Business License Division at the time their application is submitted. Work cards for these individuals will be provided to the applicants by the Business License Division after the issuance of the business license. Employees will apply for their work cards from the North Las Vegas, Police Department Work Card Section after the issuance of the business license. The owner must contact the Work Card Section to determine what documentation is necessary for employees to apply for their work card. The Work Card Section may be reached at 702-633-1807.

Business License Hours of Operation: Monday – Thursday, 8:00 a.m. to 5:45 p.m.
Fax Number: 702-399-8099

M	
Maintenance/Handyman/Janitorial Business	\$100.00
Management Firm, Property	\$350.00
Manicurists	\$70.00
Marriage/Family Counselor	\$150.00
Massage Establishment	\$500.00
Message Center or Telephone Answering Service	\$100.00
Medical Marijuana Dispensary	\$12,500.00 quarterly plus 3% Gross Sales Revenue fee paid quarterly
Medical Marijuana Cultivation Facility	3% Gross Sales Revenue fee paid quarterly
Medical Marijuana Production Facility	3% Gross Sales Revenue fee paid quarterly
Medical Marijuana Independent Laboratory	\$5,000.00 one-time fee plus 3% semiannual Gross Revenue fee
Mining, Milling and Manufacturing:	
0 to 5 employees	\$150.00
6 to 25 employees	\$200.00
26 to 50 employees	\$500.00
51 to 100 employees	\$900.00
Over 100 employees	\$1,200.00
Miscellaneous Service, Business	\$100.00
Mobile Food Vendor	\$500.00 per vehicle
Mobile Home Park:	
1 to 18 m/h	\$100.00
19 to 30 m/h	\$125.00
31 to 50 m/h	\$175.00
51 to 80 m/h	\$200.00
81 or more m/h	\$250.00
Mobile Home Setup and Repair	\$100.00
Modeling Agency	\$100.00
Mortgage and Investment	\$600.00
Motor Transportation Service	\$100.00 per vehicle

N & O	
Nursing Home or Rest Home	\$500.00
Office Space Rental	\$175.00
Optometrist	\$250.00
For Each Traveling Optometrist or Oculist	\$100.00 per day
Osteopath	\$300.00

P	
Parking Lots:	
1 to 4 spaces	\$20.00
5 to 15 spaces	\$60.00
16 to 35 spaces	\$100.00
36 to 50 spaces	\$150.00
Over 50 spaces	\$250.00
Pawnbroker	\$1,000.00
Pawnbroker Accepting Motor Vehicles	\$500.00
Pet kennel, Shop or Animal Hospital	\$100.00
Photographer	\$100.00
Physician/Surgeon, whether connected with a firm or hospital or practicing by himself	\$300.00
Polygraph Operator	\$150.00
Private Process Server	\$100.00
Promoter	\$200.00
Psychiatrist, whether connected with a firm or hospital, or practicing by himself	\$300.00
Psychic Arts	\$350.00
Publisher	\$100.00


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Marijuana in Nevada

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For Businesses

FOR BUSINESSES

[Getting A License](#)

Taxes

[Working for a Marijuana Business](#)

TAXES

Retail marijuana is subject to the following taxes:

- 15 percent excise tax on the wholesale sale; paid by the cultivator
- 10 percent excise tax on the retail sale; paid by the retail store
- Retail sales tax at the local rate

The 15 percent excise tax on the wholesale sale is calculated on the Fair Market Value at Wholesale, established by the Department of Taxation.

During the 2017 legislative session, the tax structure for medical marijuana was changed from 2 percent excise tax on each sale to 15 percent excise tax on the wholesale sale, paid by the cultivator. This change means marijuana establishments that hold both medical registration certificates and retail licenses do not have to designate which portion of their inventory is medical and which is retail. Marijuana inventory can be kept as a single stream until the point it is sold to the consumer. If it is sold to a retail customer, the additional 10 percent retail excise tax will be applied. If it is sold to a medical cardholder, the 10 percent will not be applied to the sale. Regular sales tax at the local rate will be charged to both medical and retail customers.

Revenue from the 15 percent wholesale excise tax will go toward Nevada schools (less the amount to cover the costs of the program for the state and local governments).

Revenue from the 10 percent retail excise tax will go the state Rainy Day Fund.

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[Under 21 Years of Age](#)
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[Property Owners and Employers](#)
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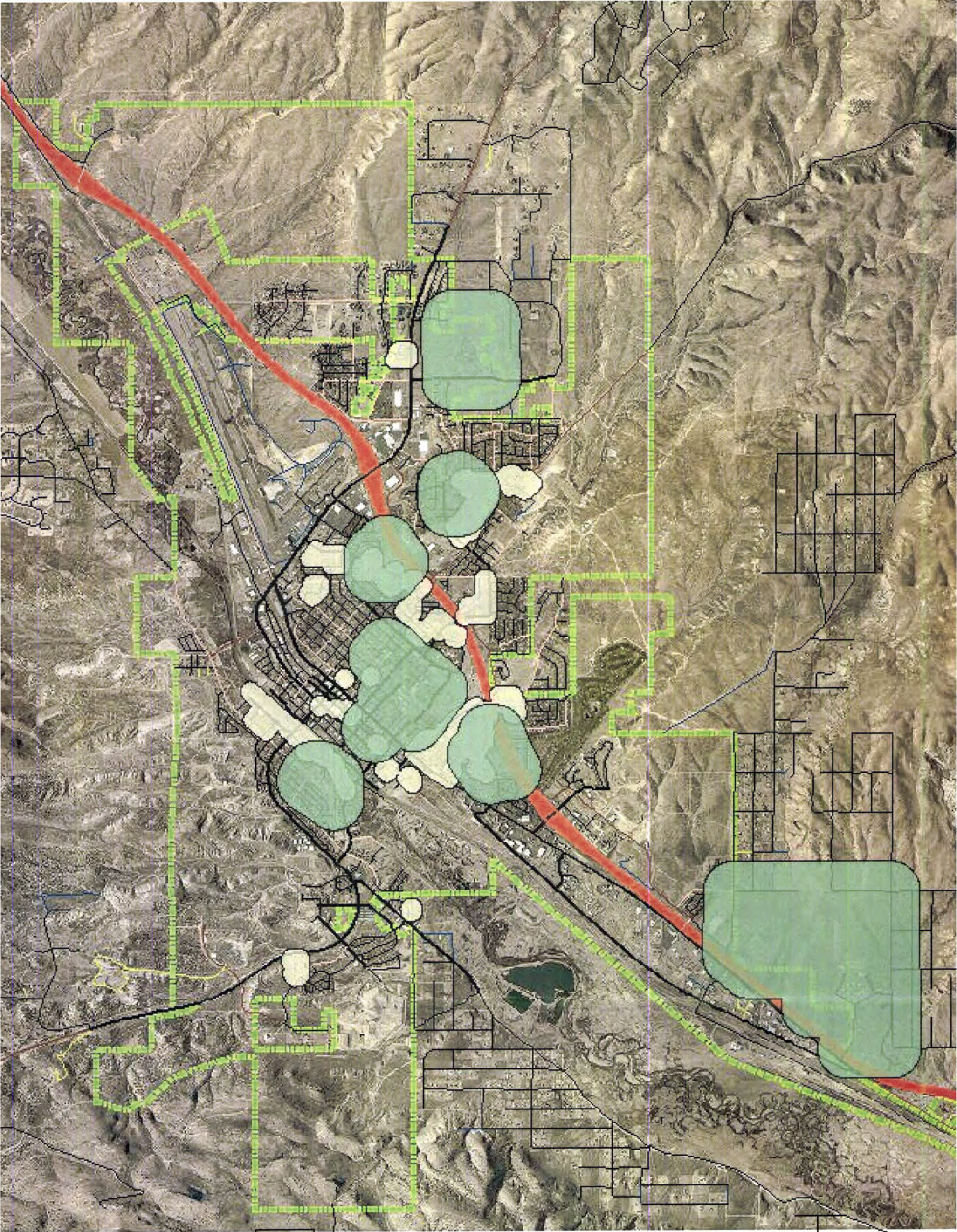
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CITY OF ELKO

ORDINANCE NO. 825

AN ORDINANCE AMENDING TITLE 3, CHAPTER 2 OF THE ELKO CITY CODE, ADDING A NEW SECTION 29 ENTITLED "MARIJUANA ESTABLISHMENTS AND MEDICAL MARIJUANA ESTABLISHMENTS PROHIBITED"

WHEREAS, the City of Elko desires to amend Title 3, Chapter 2 of the City Code pertaining to general zoning regulations to prohibit marijuana establishments and medical marijuana establishments in all zoning districts;

WHEREAS, the City of Elko has determined that the proposed amendment furthers those goals;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ELKO, NEVADA

For purposes of this amendment, words which are in bold italics are additions to the Code.

SECTION 1. Title 3, Chapter 2 of the Elko City Code is hereby amended to add the following Section 29:

3-2-29: MARIJUANA ESTABLISHMENTS AND MEDICAL MARIJUANA ESTABLISHMENTS PROHIBITED:

- A. *Notwithstanding any other provision of this Code, marijuana establishments and medical marijuana establishments are not allowed, and shall be unlawful as a permitted use, conditional use or accessory use in any zoning district within the incorporated area of the City of Elko. For purposes of this section, the term "marijuana establishment" shall have the definition ascribed to it in NRS 453D.030, as amended from time to time, and the term "medical marijuana establishment" shall have the definition ascribed to it in NRS 453A.116, as amended from time to time.***
- B. *The prohibitions of marijuana establishments and medical marijuana establishments, respectively, are not intended to interfere with the individual rights of persons to the lawful use and possession of marijuana as permitted by Chapters 453A and 453D of the Nevada Revised Statutes.***

SECTION 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed, but only to the extent of such conflict.

SECTION 3. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid, unenforceable or unconstitutional by any court of competent jurisdiction, the invalidity, unenforceability of such section, paragraph, clause or provision shall not affect any remaining provision of this Ordinance.

SECTION 4. Upon adoption, the City Clerk of the City of Elko is hereby directed to have this ordinance published by title only, together with the Councilman voting for or against its passage in a newspaper of general circulation within the time established by law, for at least one publication.

SECTION 5. This Ordinance shall be effective upon the publication mentioned in Section 4.

PASSED AND ADOPTED this ____ day of _____, 2017, by the following vote of the Elko City Council.

AYES: _____

NAYES: _____

ABSENT: _____

APPROVED this ____ day of _____, 2017.

CITY OF ELKO

By: _____
CHRIS JOHNSON, Mayor

ATTEST:

SHANELL OWEN, City Clerk

Ms. Laughlin said if parking was the concern, there is an empty lot behind the facility and a parking lot around the corner, there is a Section in the Code that states for rooming houses, they may provide parking in a parking lot not further than 200 feet from the entrance to the dwelling unit it is intended to serve. If there is an issue with the parking, maybe the applicant could come up with a parking agreement.

Chairman Martinez thought there was conflict there. He thought that under several circumstances they were not allowed to utilize a separate parcel as a parking lot for another location.

Mr. Draper explained for a Commercial use a parking lot is allowed to be on a separate parcel, but it is required to have a Conditional Use Permit.

Mr. Wilkinson added that they would have to control the property that they were parking on.

Commissioner Tera Hooiman said that Ms. Payne was in the business of making and enforcing rules. The City of Elko has rules, laws, and regulations in place that Ms. Payne and her business have broken. Ms. Hooiman said that she couldn't get past that.

*****Motion: Deny Conditional Use Permit No. 6-17.**

Commissioner Freistroffer's findings to support his motion was that this was not a suitable use for the property, and that the business was not in compliance currently.

Moved by David Freistroffer, Seconded by Tera Hooiman.

Vote: Motion passed (3 – 2 Commissioners Hodur and Beck voted no).

Mr. Wilkinson notified the applicant of her right to appeal and that it was time sensitive.

1. Review, consideration, and possible action on Zoning Ordinance Amendment 3-17, Ordinance No. 825, specifically an amendment to Title 3, Chapter 2 of the Elko City Code entitled Zoning Regulations adding a new Section 29 entitled "Marijuana Establishments and Medical Marijuana Establishments Prohibited," and matters related thereto. **FOR POSSIBLE ACTION**

At the October 24, 2017 meeting, City Council took action to initiate an amendment to the City Zoning Ordinance establishing a new Section 3-2-29 of the Elko City Code, and referring the matter to the Planning Commission for further action in accordance with Elko City Code Section 3-2-21.

Ms. Laughlin explained that the State of Nevada passed a law allowing recreational marijuana establishments starting July 1, 2017. As a practical matter the City Code prohibits the City from issuing a business license for a marijuana establishment, whether it is medical or recreational, because the business for which the license is applied for is unlawful under the Federal Controlled Substance Act. In terms of land use, we currently do not have medical or recreational marijuana establishments of any kind listed as principle, conditional, or accessory uses in any of the City's Zoning Districts. The Nevada State Law allows for Municipalities to prohibit both medical and recreational marijuana establishments through zoning ordinances, or other land use restrictions.

Because this is a Zoning Ordinance and involves a land use issue it was referred to the Planning Commission with a recommendation to City Council. The Commission has been provided a new map, which has the locations within the City of Elko which the law prohibits any marijuana establishments. The green shows 1,000 feet surrounding any schools and the yellow shows 300 feet surrounding any social, civic, and activity locations, which includes churches, the Boys and Girls Club, Girls Scout House, etc. In Ms. Laughlin's Memo she has provided information on some questions that have been addressed to the Planning Department and those are on the election results, taxes, and what another community is doing in regards to Tribal Land. Ms. Laughlin then turned the microphone over to Dave Stanton.

Dave Stanton, City Attorney, stated that under NRS Chapters 453 'A', dealing with medical marijuana establishments, and 'D', dealing with recreational marijuana establishments. Both of those statutes contain provisions that key the States approval of establishments, basically any type of business that deals in marijuana processes or sales, which keys the approval to compliance with local Zoning Requirements and Land Use Requirements. As matters now stand communities with zoning authority, such as the City of Elko, are not required to zone for medical marijuana establishments or recreational marijuana establishments. The City does have the power to prohibit the establishments through zoning. The issue of Business Licenses is a separate issue, as a practical matter they are related. One of these establishments cannot operate commercially without a business license. The way the City Code now reads: A Business License cannot be issued to a business that is in violation of Federal Law. We are talking about the Federal Controlled Substances Act. We all know the disparity between State Laws and Federal Laws. It is a collateral issue, it's not a land use issue, and it's not before this board, but Mr. Stanton wanted to bring that up.

Mr. Draper and Mr. Thibault had nothing further.

Mr. Holmes said to keep in mind that there are differences between the growing and the business establishments, so there are regulations, rules, and inspections that need to be compiled. The 2015 International Fire Code is being changed with this subject in matter. If marijuana does get approved there will be changes coming for the Fire Department and far as Fire Codes.

Curtis Golder, City Manager, mentioned that this Ordinance 825 was initiated by the City Council, just so the Planning Commission was aware of what started the process.

Chairman Martinez thought that was a good point of clarification. The City Council identified this initiative, and then it was approved to come to the Planning Commission.

Ty Trouten, Police Department, explained that the legal issue was the most concerning issue, because it does tie up Law Enforcement's side of this. They are sworn to uphold State, Federal, and Local Law. When those laws aren't in accordance with each other it places them in a very precarious position. Until the law is changed on the Federal level that issue will remain. Having been at the DEA headquarters in Quantico, learning from them, they have nothing on the table to readdress the level of this controlled substance. They are going to maintain it as a Schedule 1, because there is a great deal of mixed studies, less than scientific studies, which do not clearly show from marijuana a medical benefit. That would be the caveat that would take it from a no medical use controlled substance down to something with limited medical use, or moderate medical use. He did not foresee a change in that law coming anytime soon. The concern from the

Law Enforcement was with any drugs, prescription or illicit, there are a host of issues that follow quickly on the heels. Some of the issues that were not foreseen as other states have pursued this route and legalized marijuana. Because it is still federally prohibited it interferes with the cash transactions for such a business. Basically, you cannot utilize a bank, they will not accept the cash. You have a high dollar cash business, which makes a prime target for people who wish to commit robberies, armed robberies, home invasions, and so forth. If we have readily available marijuana for all, not just medicinal, you also have the accompanying DUI issues, just like with alcohol establishments. A lot of crimes are related to drugs, obtaining money for, theft, sales, prostitution, etc. For that reason Law Enforcement is not in favor of it. If we do violate the federal law there is the question, should we be at liability down the road. We are seeing that issue play out long term with the Sanctuary City issue. The other concern they have, they see with alcohol establishments, they end up fielding the complaints with the minors that are trying to buy it. They anticipate a rise in those types of things. Talking with other establishments in the area, within the State of Nevada, about the additional burdens that come with it. There is not anything within the law passed by the state that would provide for funding for increased enforcement, or to combat the problems that occur. There are some problems that were already seen in Clark County and Reno. Some things as simple as traffic control when you have a business with exceedingly long lines and crowds of people. Mr. Trouten wanted to talk about Colorado tracking their marijuana related statistics for the past 5 years since recreational use was allowed in 2013. The data coming out is one direction, negative. Even though it is approved at the State level, 66%, over two-thirds of their jurisdictions, have prohibited both recreational and medical use of marijuana, because of these issues. The right thing to do for the community is to prohibit the existence of marijuana establishments, whether or not Federal or State Law allows such operations is a moot point. We do not need a greater supply of an intoxicating drug readily available in the community to further compound an already significant drug problem that is in Elko. He encourages the Planning Commission's support to prohibit marijuana establishments via a revision to the Zoning Code, as written by the City Attorney.

Commissioner Freistroffer said the Colorado Law differs from the Nevada Law, in that the Colorado Law allows jurisdictions to prohibit the use of marijuana.

Mr. Trouten said as he understood it, the Colorado Law allowed the County Entities to opt out of legalizing marijuana.

Commissioner Freistroffer asked if it was for recreational use, not just sales. (Correct)

Commissioner Beck asked if this was a State's right issue. Did the State decide that marijuana is legal, then the feds say it's not legal, so whoever trumps who? As far as getting a business license, you can't issue a business license if the State says yes, and the feds say no. he asked if was correct in that understanding

Mr. Stanton said generally, yes. He thought a lot people viewed this as a State's rights issue.

Commissioner Beck said he had a question for Mr. Trouten. He asked what would happen if the City had a business license to sell marijuana. Would that potentially get rid of all the underground procedures going on? Would there be a tax revenue? He asked if Mr. Trouten had an opinion on that.

Mr. Trouten explained that he had opinion and it was formed on some information received through National Academy, talking with the DA, and some trends that are being seen across the country. The prices, that the dispensaries are charging, are quite high, much higher than street value. Because there is a great deal of money to be made, what they have seen is that there are criminal elements that are taking over the growing, preparation, and deliverance of the marijuana. They are now making greater money than they were selling it on the street level. It doesn't get rid of the black market as you would hope. What it does is the players get involved on both sides and the black market will continue, because we have juveniles. A lot of the minors and juveniles are using marijuana as well. They are going to get it somewhere, so there is continually that market. Prohibiting a marijuana dispensary or a medical marijuana dispensary in the City of Elko doesn't deprive the residents the ability to obtain medical marijuana, or anything of that nature. For the medical marijuana laws there are allowances for growing, amounts, and number of plants. So, there are still means to obtain marijuana legally and use it within the parameters of the law without running into an issue. This is strictly the name of a dispensary or a medical dispensary.

Commissioner Beck said you read in the news about all the drug cartels and all the drugs coming across the border. If there was a way to reduce that, he thought that would be everyone's goal. He asked if it would be fair to say that if they legalize marijuana stores throughout the country if it would affect the illegal drug trade.

Mr. Trouten didn't know if there were any accurate projections. It's not like they could lock down the border and no drugs would get in. The drugs are here, whether they are manufactured, grown, or anything else. The people who choose to use marijuana, there are other dispensaries within the state and a multitude of avenues. From their personal standpoint the concern comes down to their oaths, which are to uphold Federal, State, and Local Laws. And now they would have laws that couldn't be reconciled.

Commissioner Hodur asked why they were doing this. If they already couldn't issue a business license, because it is federally against the law, why are they doing this?

Chairman Martinez thought that was a great point and added that he brought that up himself. Because in the past the Commission has always tried to not make policy changes, or be a part of policy changes, that focused on one singular item. They have tried to make it a house keeping policy that they don't target singularity like that, because their policies are supposed to be much broader than that. It's almost as though they have to identify this and treat it similarly in the Code as they do a bar, so they can address where, and where they do not want it. So that when it does come about they will have the foundation work for what the constituents want.

Commissioner Hodur asked if this was in anticipation that it would someday be federally legal that they were going to do this now.

Chairman Martinez thought it was in anticipation of the State Law forcing the City of Elko to act.

Commissioner Hodur said that they already had the federal backup in the Business License Code.

Chairman Martinez pointed out that the Code doesn't identify whether it is permitted or not. He thought they might be getting themselves into some liability by not addressing it.

Mr. Stanton said that there are a lot of questions that are up in the air on all of this right now, particularly at the State level. The issues are complex and are likely to become more complex. What we are talking about here is specifically the issue of land use. Business regulation falls into one category, and land use falls into another category. One of the primary purposes of land use is to enable people to make plans as to how they are going to utilize their property, whether they are going to sell their property or purchase property. A Business Licensing Mechanism operates independent of a Land Use Mechanism. That is in part why when the Legislature wrote these two chapters in the NRS, the issues of land use and licensing were addressed separately. Both of those requirements have to be satisfied independently in order for the State to issue a license to a marijuana establishment, or a medical marijuana establishment. The issue of zoning is complicated because it interrelates with surrounding communities and land uses throughout the rest of Elko County. There are limitations on the number of these establishments that can be placed in one county. We have an Indian Colony located within the political boundaries of the City, which may be subject to a different set of regulations than outside of the boundaries. We are thinking that we really need to address it on all fronts. Mr. Stanton asked what they are going to do in the areas where they have the authority to regulate both through Land Use Planning and through Business Licensing. He thought it was a legitimate issue to be considered by the Planning Commission. How are we going to deal with this in the Zone Code, so that we know how this ties in with the State Statutes that have been enacted, which specifically refer to Zoning and Land Use?

Commissioner Hodur thought all of it was a grey space.

Commissioner Beck asked what kind of complex situation the Elko Police Department would be in if the City issued a business license to a marijuana dispensary. Would they be arrested and shut down because they are in violation of Federal Law?

Mr. Stanton said he could give some of his opinions on how that might work, but there is no definitive answer to that question. The issue of Federal Law versus State Law versus Local Law is in the air right now. At the Federal level it was Mr. Stanton's understanding that there is not a lot of appetite for enforcing the federal prohibition against the sale of marijuana, and marijuana establishments in states where it's been legalized. There are some internal federal memoranda that talk about what criteria they will look at, at the State level in order to make a decision as to whether to enforce or not. These are policy issues, at the federal level, that can be changed at any time. His understanding, generally, is that they have their hands full with plenty of other stuff and they aren't really inclined to do that right now. Could the Federal Government sweep in and decide to enforce the Federal Controlled Substances Act at some point, and shut down every one of the medical or recreational marijuana dispensaries that have been permitted throughout the State? It is a possibility.

Commissioner Hodur asked, if he understood correctly, if such a business license would be issued by the City of Elko for within the City of Elko.

Mr. Stanton explained that if it were legalized at the Federal Level and someone came in and applied for one. It's legal at the Federal level, it's legal at the State level. Were that to happen without some sort of land use restriction? Yes.

Commissioner Hodur said he was troubled overall. He explained that he was troubled by the either or options that they have before them. That it's either do nothing, and have that be open, or do something based on the City Council, and agree with their Zoning Ordinance to make it disappear. He was troubled that those were his options.

Chairman Martinez asked Commissioner Hodur what he proposed.

Commissioner Hodur said he didn't know. If you take the federally illegal element out of this, they have been able to zone all of the other sorts of businesses within the town. It's additionally complicated with the Federal element. He felt that this was a backstop for them, since they already can't issue a business license based on a federally illegal substance. They are backstopping it, and already deciding even if it's federally and state legal they are still not going to have it. His first inclination was to deny this.

Chairman Martinez stated this was a very important item on many fronts. He had been doing research, investigating, and interviews. It has been a very long process. The City Staff has put in a ton of effort into trying to identify all these facets, and not all of them will get identified tonight. Speaking about the colonies that surround the City of Elko. It was his understanding that a certain amount of facilities are allowed within each county. Is that number six, for Elko County?

Mr. Stanton clarified that it was two for Elko County. You want to know whether that counts against the total.

Chairman Martinez said that was correct.

Mr. Stanton said he placed a call to the Attorney General's Office and asked that question. That question is being run up the flag pole right now.

Chairman Martinez said that was an interesting item, because technically that is a sovereign land and it's not within the Elko City or Elko County Limits. He wasn't sure how that would play out, but thought it would be an important item. We have neighbors that could be humoring these in the future. That is a concern for many folks. The fact that the State Law has forced the Planning Commission, and the City of Elko, to act is unfortunate. They are placed in a position of making decisions, when the Code doesn't identify that that is a permitted usage right now. He has made that argument and has heard from other staff members both sides of that argument. He understood both sides of the argument. Technically the Code doesn't allow for it now. So, to act and to further prohibit was an interesting move, which was not something that the Planning Commission generated. One of the other staff members made eloquent point, which was sometime when you're not sure what to do it doesn't mean you have to act, and they can wait and see. Chairman Martinez didn't think the prohibition would be permanent and it can be readdressed through the City Council. He asked if this could be brought up through the Planning Commission to be humored by the City Council.

Mr. Wilkinson said the Planning Commission could initiate a change.

Chairman Martinez said his biggest concern was having a distribution center right next door, but the City of Elko not benefitting from that, but the City of Elko policing it, health services facilitating it, and facilities absorbing it. At what point are we doing ourselves due justice by not allowing it.

Mr. Stanton brought up that West Wendover was actively pursuing a marijuana establishment. There is a moratorium in the County, but West Wendover has separate authority to issue a license.

Chairman Martinez pointed out that West Wendover was located within Elko County limits, so it would be taking one of the two establishments within the County.

Mr. Stanton said that was correct.

Ms. Laughlin said she had an email from Chris Melville, from the City of Wendover, and he states in the email that the Council had not adopted a recreational component to the ordinance, given that the majority wanted to see how the medical impacted the community first.

Commissioner Hooiman asked if that would still fall under one of the two establishments. (Yes)

Mr. Wilkinson stated that he had a question for the City Attorney. If the City doesn't address either a prohibition or allowing these establishment through zoning, and someone approaches the City and says the State Law allows for it, is the City open to litigation, because the City hasn't addressed it.

Mr. Stanton explained that the Code states that it has to be in compliance with Federal Law before we can issue a business license. He thought that was a pretty strong position. The City can be sued for that, but he thought the City's position was strong. The think to consider is that that we are keying our decision on what other governmental authorities may, or may not, do, rather than being proactive and making a decision for ourselves. Congress can change the Federal Controlled Substance Act and just say it's up to the States, and that may happen. The State can change its rules when it comes to how it goes about issuing licenses for these establishments, including changing the number per county, or per jurisdiction. What we are talking about here today is actually making a decision on the part of Elko. What does Elko want to do in terms of Land Use, irrespective of what other governmental entities may, or may not, decide to do in the future?

Mr. Wilkinson clarified that if the City didn't provide for this as some type of use, and some type of zone, we wouldn't be able to issue a license, even if the Federal Law were to change, because it is not an identified use in any Zone District.

Mr. Stanton deferred to Ms. Laughlin whether it would fall under the description of any of the principle uses, or uses that might be permitted with a CUP.

Mr. Wilkinson thought it could be retail sales.

Ms. Laughlin pointed out under Commercial there is sales and service.

Mr. Stanton said there are some pretty broad categories listed under the different uses that this might fit into.

Mr. Wilkinson said with that in mind, if someone approached the City of Elko and wanted a business license, and the federal government were to change, they would be able to say that it was allowed in a Commercial District and they respectfully requested a business license to be issued, if the City didn't have a prohibition on this specific use.

Ms. Laughlin added that it couldn't be in the colored area on the map.

Mr. Stanton said if it falls within a description of a principle permitted use, and it's not otherwise prohibited under Federal or State Law, and someone comes in and wants a license for it, unless it's in the Code we wouldn't be able to deny it.

Mr. Wilkinson explained that the City Council initiated this potential prohibition on consideration, and that was not a unanimous vote. It was four to one. You have a majority of the City Council who is behind initiating this prohibition. So it is before the Planning Commission for a recommendation back to the City Council, one way or another.

Mr. Wilkinson said in actuality with the current law you can grow an amount for personal use.

Chairman Martinez pointed out that when Mr. Stanton started identifying the business license law. That was interesting to Chairman Martinez because he knew that they were here today to identify the land usage, and that is what the Commission is tasked with, because that is under their responsibilities. Chairman Martinez thought it sounded as if the City was protected from liability or litigation strictly on that standpoint. He asked if that was true, or if he was misunderstanding.

Mr. Stanton read the City Code Provision regarding Business License denials. He stated that the provisions that he read prevent the City Clerk from issuing a business license to a marijuana establishment or a medical marijuana establishment. However, somebody who is really crafty might want to challenge that ordinance, and say that the ordinance violates State Law. There is some litigation risk, because there is a disparity between Federal and State Law. He thought that it was a strongly worded ordinance, but the ordinance could potentially be challenged. Especially in light of the climate we are in right now, there is so much controversy over the scope of the Federal Government's control on this issue.

Chairman Martinez said by issuance of the ordinance, he asked if it was his understanding, that they were going further into a liability, because now someone can come in and contest that the City is going against Federal Law.

Mr. Stanton explained that courts look at regulatory codes differently than they look at land use codes. The courts are very deferential to local governments when it comes to land use decisions. Something like this, Mr. Stanton would feel pretty comfortable with. Although, whenever a land use decision is made, especially something that is controversial like this, there needs to be some rationale for it, and you would want to put that in the record. His experience is regulatory, police,

ordinances like this one, or licensing ordinances, can be challenged more easily than land use ordinances.

Mr. Wilkinson thought they should probably review the options for the Planning Commission, because this will still go back to the City Council one way or another. There will be a hearing in front of the City Council. This is before the Planning Commission for advice and a recommendation back to the City Council. Tonight the options are to approve with a recommendation for approval, a recommendation not to approve, or the Planning Commission could ask to have the item tabled if they need more information. Regardless of where the Planning Commission lands on the issue there will be another hearing before the City Council.

Commissioner Freistroffer asked if they could allow it in certain zones with a CUP process, under certain stipulations.

Mr. Wilkinson thought what would happen in that case, because this is a proposed amendment, you would then have a recommendation to not approve, and in support of that recommendation you could convey your desire to the City Council that they consider allowing that use under a Conditional Use Permit in whatever districts you determined appropriate. The areas on the map are delineated under the NRS, so they would be prohibited there.

Mr. Stanton asked if Commissioner Freistroffer was referring to an overlay district.

Commissioner Freistroffer clarified that he was referring to allowing it in the Commercial and Industrial Districts with a Conditional Use Permit.

Commissioner Dalling asked if the Indian Colony ever made the vote to decide whether or not to allow the marijuana establishment.

Commissioner Hooiman thought they tabled it.

Commissioner Hooiman said that he would be comfortable with Mr. Freistroffer's suggestion of allowing it in the Commercial and Industrial Districts, with a Conditional Use Permit. He would also be comfortable with an overlay district. It's the yes or no nature of this that had him concerned, especially when they are backed up by the business license process.

Commissioner Dalling said the County Commissioners had already said no, and City Council is four to one. He asked if it was John Rice that voted against. (Yes)

Mr. Wilkinson believed Mr. Rice's primary concern was on the medical side.

Commissioner Dalling thought it seemed like it's all lined up against it. He didn't know what good it would do to give it its own zoning or trying to do a CUP or an overlay, if the kibosh has been put on it from the top.

Commissioner Freistroffer explained that the Planning Commission can propose what they want and then the City Council can then respond.

Commission Dalling asked what good that would do.

Commissioner Freistroffer said there would be no delay or speeding up, it would just be something different.

Commissioner Hodur said just because there is a line, doesn't mean that they are right.

Commissioner Dalling said he didn't say anyone was right. He was just saying that he didn't know what they were fighting for. And now you want to turn it into a whole new district, an overlay, or a whole new CUP process, that turns it into more work.

Commissioner Hodur said he was fine with just denying. If the City Council wants to ignore the Planning Commission's recommendation then that's fine. The Planning Commission can come back with a recommendation later, if the atmosphere changes. He didn't see the Planning Commission needing to get in the line, not when the City is already protected.

Mr. Wilkinson thought they would include that as part of the findings for their recommendation. Those type of concerns for the City Council to consider. Mr. Wilkinson knew that Chairman Martinez had some concerns and staff hasn't been able to do a really good job of trying to do some projections on what type of revenues you might get off a facility in the City. There are some unanswered questions.

Chairman Martinez thought that staff had done a great job identifying a lot of the concerns and they've answered a lot of questions. He hadn't brought up a lot of these questions. He would be happy to discuss those in this form, the financial aspect and what the benefit would be for the City. Ultimately the City of Elko Planning Commission is looking at it from a Zoning purpose and land usage, but at the same time the Planning Commission sometimes evaluates the impacts financially on a residence through different land zoning policies. The Planning Commission does have a say in taking into account the financial aspect. He stated that staff had already answered all of his questions, and he felt comfortable with all the research he had done.

Ms. Laughlin stated that she had information on Mesquite's 1st Quarter revenues, as well as what Wendover used as their projected revenues, if anyone would like to know.

Commissioner Hooiman said she would.

Ms. Laughlin said that Mesquite's first quarter, just on the dispensary, they received \$12,600 in revenue for medical and in recreational they received \$77,000. Mesquite charges \$12,500 a quarter license fee, plus 3% gross revenue.

Chairman Martinez asked if any of that was sales tax revenue.

Ms. Laughlin stated that none of that was sale tax revenue. Aaron Baker, from Mesquite, informed Ms. Laughlin that the sales tax they collect all goes to the County.

Chairman Martinez asked if that was an inter-local agreement or if it was a global.

Ms. Laughlin wasn't sure. Mr. Baker just said that they don't get any sales tax revenue from it, this is simply their license fee. Mesquite had projected in their estimates, when they took this

ordinance to their City Council, they estimated \$50,400 in medical in a year and \$308,000 in recreational in a year. West Wendover projected in their medical \$80,000 annually, and that was on the fee structure of 3% of gross sales, and they estimated between \$250,000 and \$300,000 annually for recreation, if they add the recreational component to their ordinance.

Commissioner Dalling asked if \$350,000 would go to the County.

Ms. Laughlin clarified \$250,000 to \$300,000 for the City of Wendover.

Mr. Wilkinson suggested the Commission keep in mind that both those communities are boarder communities. There is that influence there.

Commissioner Beck asked if there were any studies done about where marijuana is legalized if the crime rate goes up or down. Will we be over loading the local Police Department? He thought the dominating variable was finances, but he thought they needed to worry about if this would be making it easier for the drug problem to expand, or would this make it easier for the problem to go away. He knew there was a lot of issues and that they couldn't solve them all tonight. His concern was how it was going to affect the community. He thought it was probably too early for there to be any data on that, but he thought maybe the Police Department might have some data on that.

Chairman Martinez said the Chief had issued quite a bit of information on that.

Ben Reed, Police Chief, stated that the most definitive data he's seen was the Colorado Study, because they had been in the business longer than anyone else. They started studying it their first year, when it went legal, which was 2013. They just issued Volume 5 about a month ago. They track all kinds of data: hospital visits, DUIs, crime data, and all other kinds of data. All of it is trending in the wrong direction towards safety for the community. It appears that they went with an approach in the State that it was up to the local jurisdictions as well. They quote a statistic that 66% of their local jurisdictions have somehow prohibited marijuana dispensaries, either recreational and/or medicinal. They currently, as of June 2017, have 491 retail marijuana stores in the State, compared to 192 Starbucks and 208 McDonalds. About a year ago Chief Reed listened to a lecture by a District Attorney for the Denver area, at the time, he was speaking in Reno. He was speaking to a variety of attendees. He was highly recommending that the voters of Nevada not give a thumbs up to Question No. 2. Question No. 2 did go ahead and pass State wide about a year ago. He didn't believe it passed the voters in Elko, it went down in Elko County. He looked at the Secretary of State's data and it typically passed in Washoe and Clark Counties, with a couple of exceptions. He spoke to a lot of the problems they had from a crime standpoint, but Denver is their major metropolitan area and is much different than Elko. It was all bad news, he spoke of all the foreign countries that are operating cartels out of Colorado. There were five or six different countries that he identified, who sell, process, control, and ship out, which they had never saw before. He also talked about the immigration of people coming there for marijuana from all over the world, Europe, Canada, Mexico, and Asia. They went to live there to acquire product. Chief Reed thought this was a fairly new statistical area Nationwide, because not many people are tracking it. The Federal Government doesn't really track it with a ton of statistics like they do for everything else, because it's prohibited. Chief Reed read some internet crime stories for what is going on in Nevada. There are a lot of them in the Clark County area. There have been around 30 burglaries of marijuana establishments since

January 2016, one armed robbery, one shooting by the police, and a number of other crime problems. He has seen that from where he used to work and talking to other Police Chiefs and Sheriffs in Nevada, as well as Colorado and California, that there is an impact on the Police Department once the establishments are established. He will be placed in a position where he will either have to tell callers calling for service that they aren't coming call the State, or Elko Police Officers will respond. The types of responses that they have seen in other areas are a variety of things, loitering, minors, fights, burglaries, etc. They do get marijuana conflict calls now for people who have personal grows in their homes, or their backyards. Typically it is the neighbors complaining about the smell, but it is permitted under current law in Nevada for up to six plants, or up to possession of an ounce. There are about 4 in the City that they've gotten calls on, they check to make sure they are in compliance with NRS 453, and then if they are they move on and let the neighbor know.

Commissioner Freistroffer asked if the Police Department checks to see if they have a State Marijuana Card, because it's for personal medical use right.

Chief Reed explained that they are typically looking for the card, which is issued by the State. There are issued Statewide, there are not many around here, but there are several hundred that have been issued. Because it is still prohibited by Federal Law. It was Chief Reed's understanding, Doctors cannot prescribe, but many doctors recommend, or not recommend, but there is no script for it. If Congress was to act and move this through the FDA, like all the other drugs, into a particular schedule and allow medicinal use for it. Is there that would take it away from the law enforcement, mostly, at the individual level. You would put in the hands of doctor and patient. We would still have the black market, trafficking, and cultivation issues, but you wouldn't have the conflict that we have now. This is a very difficult issue. Chief Reed stated that he had a hard time explaining to his officers what their policy is, when they have a Federal set of rules, State schematic, county prohibition, and a current City Resolution moratorium on medicinal facilities, which expires March 2018.

Commissioner Hooiman wanted some clarification on something that Mr. Trouten had said. He said that the dispensaries cannot use banks. Why is that?

Chief Reed explained that most of the businesses deal on a cash basis. They're not doing business with the banks, because the bank's guidance, from their owners and legal staff, is to be cautious of this issue. They don't want to get sideways with the federal regulators in the banking industry, because they are federally insured, they have federal oversight, and federal law. It's very complex.

Mr. Wilkinson added that he attended a short seminar on this issue at League of Cities, and a small community that has the full chain of the product, from grow to dispensary, has a huge problem with the amount of cash that they have to deal with. It is also a huge security concern. It's just waiting for a crime. When you allow for these type of businesses you are setting the stage for a big problem that could arise.

Grett Miller, 1024 Barrington Avenue, pointed out that someone could grow six plants without a medical marijuana license by recreation.

Chief Reed thought Mr. Miller was correct, he thought that was under Question No. 2 that allowed for that. Question No. 2 established a whole new set of crimes on marijuana. He thought it got even more complex when that passed last year.

Mr. Wilkinson asked by extension if individuals are able to cultivate and use marijuana, does the City really needed to allow for dispensaries or grows. It's more of an individual choice at that time and if the City had a prohibition, it would be a City decision on land use, but an individual could still do what they wanted to do.

Chairman Martinez thought that was an interesting point. On the other side of that too is if a distribution center is open then those folks, who were once able to cultivate, are no longer. He asked if that was correct. Once that distribution facility is open within a 25 mile radius there is no cultivation allowed. He said at some point they would be reducing the residents' ability to make that individual decision.

Chief Reed explained within 25 miles of a retail marijuana store personal cultivation is prohibited.

Chairman Martinez said that was one of the most interesting things he read on the law. It was almost like to feed the coffers. 25 miles covers the City of Elko.

Commissioner Dalling asked if it would stop someone from doing that home.

Chairman Martinez said no, absolutely not. It's more of the cause and effect of each decision.

Commissioner Freistroffer added that another aspect to add to this is to get the money and the revenue generated, it is no longer a small scale business, it would be a very large business. The Nevada Statute is set up so that only large, well endowed, businesses can run any kind of an operation. It's not necessarily something that helps a small business to establish a corner pot store.

Mr. Wilkinson wasn't sure if the Chief would agree with him, but almost all of this is revenue driven. It's almost like the consequences of doing it, other than acquiring revenue, have just been disregarded across the board. The States have looked at it purely as a revenue resource.

Chairman Martinez pointed out that the law is sculpted to where they have the largest benefit of it. If you look at tax distribution, what we have been able to identify so far and the State is who is receiving all of those funds.

Mr. Wilkinson didn't believe that the City Council viewed this as a revenue resource and something that the City should go do to generate revenue for the City of Elko.

Commissioner Dalling said his thoughts on it were, normally he wouldn't care. He rode with Reece Keener in the Centennial Parade and they talked a little bit about it. Mr. Dalling knew he wasn't into it, but he was questioning why. Mr. Keener's thoughts were the crime. Mr. Dalling stated that he was a business owner and he had looked into. He talked with Ms. Laughlin about it and asked her what the boundaries were. He thought whoever got it, it would be like the golden ticket. Mr. Keener had a good point and said that one person benefits, and the rest of the people

get to deal with the fallout. Part of him wanted to go with not allowing it and the other half thought maybe they should allow it. The problem is that it is fully illegal in the County and in the City. So, by doing this are they really hampering anything, or are they doing what is right, or are they leaving the door open for a legal fight. He pointed out that there were dispensaries in Las Vegas and Reno. Would they benefit from allowing one in little Elko? Nevada borders two States, and if they open their own it's not like this is a destination town to come get weed. If the City is getting \$300,000 into the City coffers. He thought \$300,000 was a joke for the City budget.

Chairman Martinez thought Mr. Dalling brought up good points. The City's operating budget is \$19 Million per year. He thought they brought up a lot of good points. There are plenty more to be made. For Mr. Martinez it came down to more access and more change. He wasn't sure that was in the City's best interest at this time.

*****Motion: Forward a recommendation to City Council to not approve Zoning Ordinance Amendment No. 3-17.**

Commissioner Hodur's findings were that such establishments were already not allowed under the Business License Process and can be handled as the Federal situation changes.

Moved by Kevin Hodur, Seconded by Stefan Beck.

**Motion passed (4 - 3, Commissioners Martinez, Dalling, and Hooiman voted No).*

3. Review, consideration and possible adoption of Resolution 1-17, containing amendments to the Acknowledgements, Land Use and Transportation components, and the Land Use and Transportation Atlas Maps #5, #6, #8 & #12 of the City of Elko Master Plan, and matters related thereto. **FOR POSSIBLE ACTION**

Planning Commission reviewed and initiated the amendment to the City of Elko Master Plan at its August 1, 2017 and September 7, 2017 meetings.

Ms. Laughlin explained that in front of the Commissioner's was a spreadsheet that was a cross referencing table that highlighted the majority of the amendments that Staff was proposing to the Master Plan. She then went over the proposed changes to the Acknowledgements and the Land Use Document.

Chairman Martinez had a question about the airport for the City Manager's Office. He asked if this was the appropriate time to address the long term plan of the Airport.

Ms. Laughlin explained that the Airport just completed a Master Plan.

Mr. Wilkinson added that the Airport had their own Master Plan.

Chairman Martinez asked if the City Master Plan is referencing the Airport Master Plan, and if so if there was an identification of that long term commercial utilization of the Airport.

**Elko City Council
Agenda Action Sheet**

1. Title: **Review, consideration, and possible action on an appeal filed pursuant to Elko City Code 3-2-18(E)(3), appealing the Elko City Planning Commission's decision to deny Conditional Use Permit No. 6-17, filed by Lyfe Recovery Services, LLC., which seeks permission to operate a halfway house within an R (Single Family and Multiple Family Residential) Zoning District, located generally on the east side of Winchester Drive approximately 400 feet north of Orchard Cove Drive (1683 Winchester Drive), and matters related thereto. FOR POSSIBLE ACTION**

Pursuant to Elko City Code 3-2-25, the Council may affirm, modify or reverse the decision of the Planning Commission.

2. Meeting Date: **January 9, 2018**
3. Agenda Category: **PUBLIC HEARING**
4. Time Required: **15 Minutes**
5. Background Information: **The Planning Commission considered the subject conditional use permit on December 5, 2017 and took action to deny the conditional use permit. Subsequently, of the applicant appealed the Planning Commission's decision. CL**
6. Budget Information:
 Appropriation Required: **N/A**
 Budget amount available: **N/A**
 Fund name: **N/A**
7. Business Impact Statement: **Not Required**
8. Supplemental Agenda Information: **Appeal letter, P.C. Action Report, draft December 5, 2017 P.C. Minutes, Staff Reports, and application**
9. Recommended Motion: **Pleasure of the Council**
10. Prepared By: **Cathy Laughlin, City Planner**
11. Committee/Other Agency Review: **Planning Commission, Legal Counsel**
12. Council Action:
13. Agenda Distribution: **Lyfe Recovery Services, LLC
695 W. Arroyo Street
Reno, NV 89509**



THOMAS & ASSOCIATES
KENNETH E. THOMAS, ESQ.
ATTORNEY AT LAW

Elko City Counsel

December 19, 2017

Mayor Chris J. Johnson
Councilman Reece Keener
Councilwoman Mandy Simons
Councilman Robert Schmidlein
Councilman John Patrick Rice
City Manager Curtis Calder
Assistant City Manager Scott Wilkinson
1751 College Avenue
Elko, Nevada 89801

Dear Honorable Counsel Members,

The law firm of Thomas And Associates has been retained to represent LYFE Recovery Services, LLC (LYFE) in it's appeal of the City of Elko Planning Commission's December 5, 2017, denial of Conditional Use Permit (CUP) No. 6-17, to operate a sober living residence at 1683 Winchester Drive.

First and foremost, LYFE's objective is to harmoniously collaborate with the City of Elko in providing attainable sober living housing to "handicapped" residents. To this end, LYFE is open and willing to negotiate in good faith any terms of this proposal and/or any additional terms the City may request.

A brief Legal analysis is provided, however it is intentionally being kept to a minimum and recitation of cases, city codes and statutes are provided for reference only.

LYFE's Legal Federal Causes of Action.

- 1) Elko City Code 4-1-3(A)(B), 3-2-3 and 3-2-5 violates the FHA and ADA
- 2) Elko Planning Commission's December 5, 2017 denial of CUP violates the FHA and ADA
- 3) Elko's Planning Commission's failure to grant waiver of fire Code requirement for installation of sprinkler system for more than ten residences in an already existing eleven bedroom facility.

Under the FHA, it is unlawful to discriminate in the sale or rental, or to otherwise make unavailable or deny a dwelling to any buyer or renter because of a handicap. 42 U.S.C. §3604(f)(1). A person is handicapped if he or she has a mental or physical impairment. U.S.C. §3602(h). It is well established that individual recovering from drug or alcohol addiction are

disabled / handicapped under the FHA and therefore protected from housing discrimination.¹ It is equally well established that zoning practices that discriminate against disable individuals can be discriminatory, and therefore violate §3604, if they contribute to making unavailable or deny housing to those persons.² A plaintiff can establish a violation under the FHA by proving the disparate impact of a practice or policy on a particular group, or by showing that the defendant failed to make reasonable accommodations in rule, policies, or practices so as to afford people with disabilities an equal opportunity to live in a dwelling. 42 U.S.C. § 3604(f)(3)(B). Once an FHA violation is established the plaintiff is entitled to injunctive relief.

The American with Disabilities Act (ADA) provides that “no qualified individual with a disability shall, by reason of such disability, be excluded from participation in or be denied the benefits of the services, programs, or activities of a public entity, or be subjected to discrimination by any such entity.” 42 U.S.C. §12132. Parallel to the FHA, this provision prohibits governmental entities from discriminating against disabled persons through zoning. Also like the FHA, the ADA’s protections extend to person’s recovering from drug or alcohol addiction.³ The standards regarding disparate treatment claims under the ADA are typically identical to FHA and Courts accordingly interpret them in tandem.

Here, under City Code 4-1-3(A) LYFE is required to have a business license. In order to get business license for their sober living home, under City Code 4-1-3(B) the city requires that you have a “ fixed place of business. “A business license shall be issued ONLY if the applicant has a fixed place of business from which the business will be conducted...” LYFE obtained a lease for the subject property at \$5,000.00 per month in May.

In May 2017, after obtaining the required “Fixed Property”, LYFE applied with the City of Elko for a business license for a “sober living home.” In June 2017 that license was denied because it was determined by the City that LYFE’s license would be classified as a half way house and required a CUP. And the application required a \$750.00 non-refundable fee, attendance at the Planning Commission meeting on December 5, 2017, a “Site Plan Review” (3-2-3(C)(6) and “As Built Drawing” (3-2-3(S)). The property was built in 1999 and neither were easily obtainable.

On December 5, 2017, The City of Elko’s Planning Commission denied LYFE’s application for a CUP simply stating, “The Planning Commission’s findings to support its recommendation was that this was not a suitable use for the property and the business was currently not in compliance.”

Planning Commission’s denial of CUP is discriminatory and violates the FHA and ADA. In addition, Elko City Code 4-1-3(A)(B), 3-2-3, 3-2-5(E) and 3-2-18 violates the FHA and ADA

Subjecting an entity protected by anti-discrimination laws to a permit or registration requirement, when the requirement is imposed for a discriminatory purpose, has obvious adverse

¹CITY OF EDMONDS v WASHINGTON STATE BLDG. CODE COUNCIL, 18 F.3d 802 (9 th Cir.1994).

² ID.

³ HERNANDEZ v. HUGHES MISSILE SYSTEMS CO., 362 F.3d 564 (9 th Cir. 2004)

impacts upon that entity, and being forced to submit to such a regime is sufficient to establish injury in a disparate treatment claim. This would be true even if such permits were granted freely. The Court in FLORES V. PIERCE, 617 F.2d 1396 (9 th Cir. 1980), stated, "The City fails to appreciate that it was the imposition of the Ordinance itself that triggered the Plaintiff's alleged injuries. We have recognized that it is unlawful discrimination to subject individuals to 'the rigors of the governmental or administrative process... with intent to burden, hinder, or punish them by reason of their membership in a protected class.'"

Here, because LYFE had to submit an Application for Conditional Use Permit to the Elko Planning Commission, pay a non-refundable fee of \$750.00, submit a plot plan, submit an Elevation plan and attend the Planning Commission Meeting on December 5, 2017, then LYFE can show that evidence that they were harmed by the imposition of the discriminatory regime, and this is more than sufficient for LYFE to maintain a claim for disparate treatment based upon the imposition of the permit requirement itself. Such actions and requirements have a chilling effect on the protected class and is at minimum burdensome, expensive and a violation of FHA and ADA.

DAMAGES

The City of Elko's business license permit application process has been burdensome, time-consuming and costly, requiring hundreds of hours of staff time as well as thousands of dollars in legal assistance, lost revenue and lease expense.

But for the City of Elko's violations of ADA and FHA, first violation occurring in June 2017, then LYFE would not have had to attempt to mitigate their damages by leasing the residences to the public through Air B&B, Craig's List and the like.

Damages that have granted to Plaintiff for violations of the ADA and FHA by the Ninth Circuit Court Of Appeals, include but are not limited to the following:

- 1) Cost of complying with the City of Elko's Code.
 - A). Diverted staff time⁴ : Approximately \$5,000.00
 - B). Attorney's fees:⁵ \$10,000.00 (as of 12/19/17)
 - C). Actual business expense directly related to acquiring the COP. \$750 filing fee and \$375.00 appeal fee. Total \$1,125.00
- 2) Lost income⁶ : \$5,000.00 month lease for six months : Total \$30,000.00
- 3) Emotional Distress:
 - A). Humiliation and embarrassment (24 C.F.R. §180.670(b)(3)(I))

⁴ (CONVOY CO. v SPERRY RAND CORP., 672 F.2d 781(9 th Cir. 1982))

⁵ 28 CFR §36.505, and see, (SHERWIN MANOR NURSING CTR. v MCAULIFFE, 37 F.3d 1216 (9 th Cir. 1994))

⁶ (HARPER v. CITY OF LOS ANGELES, 533 F.3d 1010 (9 th Cir. 2008))

B). Anger, embarrassment and emotional distress (MORGAN v. SEC'Y OF HUD, 985 F.2d 1451 (10 th Cir. 1993))

Total estimated damages as of 12/19/2017 are over \$50,000.00

In addition to injunctive relief the Court *may* grant a civil penalty against the City of Elko under FHA 42 U.S.C. 3614(d)(1)(C)(i) for up to **\$100,554.00** for the first violation and up to **\$201,106.00** for any subsequent violation. Under ADA 42 U.S.C. 12188(b)(2)(C)(I) for up to **\$90,535** for first violation and **\$181,071** for any subsequent violations.(Table Attached)

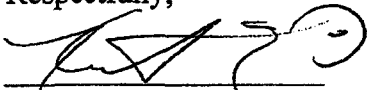
In any civil case the Plaintiff has the duty to mitigate their damages. In fact under 28 CFR 36.506 settlement negotiations are highly encourage. But under ADA and FHA private suit can be filed upon the perception or occurrence of the first violation and exhausting Local City remedies is not required. A more detailed analysis can be provided, however that will incur significant additional attorney fees that can be awarded against the City of Elko in a Federal Suit

Proposal:

1. Approve business license for "sober living residence" or half way house at the January 9, 2018 City Counsel Meeting, or grant temporary License to open the same pending further negotiation.
2. The City shall pay half the cost of lease for the six month delay (\$5000.00 month X 6 = \$30,000.00 / 2 total \$15,000.00.)
3. The City shall pay half the Legal fees incurred by LYFE up to and including the January 9, 2018 City Counsel meeting (as of this date 12/19/2017 twenty hours at \$500.00 per hour = total \$10,000.00 / 2 = \$5,000.00)

Please call (702) 204-0705 , fax (702) 456-3575 or email (test4me@cox.net) me directly with any concerns, questions, counter proposals or the like.

Respectfully,



Kenneth E. Thomas, Esq.



RECEIVED

DEC 15 2017

Initial: _____

December 12th, 2017

City of Elko
Elko NV 89801

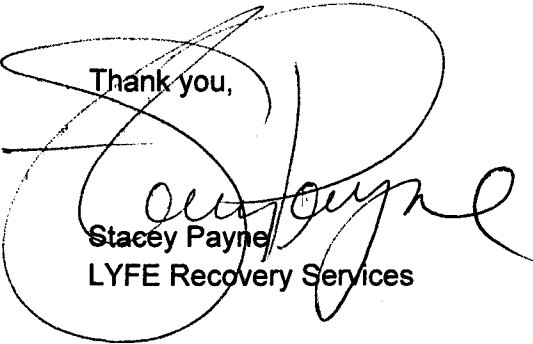
With Respect,

Pursuant to Title 3-2-25 Appeals of Title 3-2-2 ELKO ZONING ORDINANCE, Applicant, LYFE Recovery Services, LLC hereby formally requests to appeal the Elko City Planning Commission's December 5, 2017 denial for Applicant's Conditional Use Permit NO. 6-17 to the City of Elko City Council.

LYFE Recovery Services, LLC is requesting a Conditional Use Permit to allow for a "Sober Living Residence".

Time is of the essence, as such Applicant is requesting appeal be placed upon the City Council's January 2017 calendar.

Thank you,



Stacey Payne
LYFE Recovery Services



CITY OF ELKO

Planning Department

Website: www.elkocitynv.gov
Email: planning@elkocitynv.gov

1751 College Avenue • Elko, Nevada 89801 • (775) 777-7160 • Fax (775) 777-7219

CITY OF ELKO PLANNING COMMISSION ACTION REPORT Regular Meeting of December 5, 2017

WHEREAS, the following item was reviewed and considered by the Elko City Planning Commission on December 5, 2017 under Public Hearing format, in accordance with notification requirements contained in Section 3-2-18 (F) of the City Code:


Conditional Use Permit No. 6-17, filed by LYFE Recovery Services, LLC, which would allow for a Halfway House for recovering alcohol and drug abusers within an R (Single-Family and Multi-Family Residential) Zoning District, and matters related thereto.

The subject property is located generally on the east side of Winchester Drive, approximately 420 feet north of Orchard Cove Drive, 1683 Winchester Drive. (APN 001-920-054)

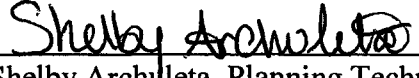
NOW THEREFORE, upon review and consideration of the application, supporting data, public input and testimony, the Planning Commission **Denied** Conditional Use Permit No. 6-17 subject to the following findings by the Planning Commission:

The Planning Commission's findings to support its recommendation was that this was not a suitable use for the property and the business was currently not in compliance.

The applicant is advised of the right to appeal this decision to the City Council within 10 days of the date of approval as stated above.


Cathy Laughlin, City Planner

Attest:


Shelby Archuleta, Planning Technician

CC: Applicant
Jeremy Draper, Development Manager (via email)
Shanell Owen, City Clerk

I. NEW BUSINESS

A. PUBLIC HEARING

2. Review, consideration, and possible action on Conditional Use Permit No. 6-17, filed by LYFE Recovery Services, LLC, which would allow for a Halfway House for recovering alcohol and drug abusers within an R (Single-Family and Multi-Family Residential) Zoning District, and matters related thereto. **FOR POSSIBLE ACTION**

The subject property is located generally on the east side of Winchester Drive, approximately 420 feet north of Orchard Cove Drive, 1683 Winchester Drive. (APN 001-920-054)

Commissioner Jeff Dalling arrived.

Eric Velasquez, 1665 Winchester Drive, commented that they have the halfway house in their neighborhood now. He thought there were already people living there. The rest of the people in the neighborhood feel that this will drop the value of their homes and make them harder to sell. He thought this should be put in a better location in the City, which would be better monitored. He thought he was going to have a hard time selling his home, because the halfway house would scare potential buyers away.

Codie Sharp, 1635 Winchester Drive, was concerned that 40% to 60% of rehabilitation drug abusers, or alcoholics, use again within the first month. Her main concern was that she has little kids, and her neighbors do as well. She asked if this would be providing a safe environment for her children to play in the yard. What if somebody relapses, or wanders off, and leaves needles around and her children find them? She understood that this would be a rehabilitation center and people would have already gone through treatment. She believed it should be put in a better monitored area. She was also concerned with how it would affect the marketing for her house.

Jonathon Simmons, 1696 Winchester Drive, said that this halfway house had him concerned for the property value of his house. The Winchester Apartments, down the road, have been known to have drugs for awhile, so he didn't find it a good idea to put a halfway house where drugs are easy to be found. He didn't want to be worried about his things when he goes to work. He works hard for his things and had already had them stolen from people that were addicted to drugs before. He doesn't want to have that happen again.

Miguel Cespedes, 1655 Winchester Drive, said he had the same concerns as everyone else. He has one child that is a year old. He had the same concerns about having his kid playing outside and someone relapses, they are driving, and they cause an accident. There are kids in the summer that run up and down the street. He bought the home because he knew it was a nice, safe, quiet area. This will cause problems for him in the future if it depreciates the value of his home. He asked why he had to worry about that now, when he first bought it he thought it was a good neighborhood with new homes where he would have no issues.

Cathy Laughlin, City Planner, wanted to start off with a little background information. The property is zoned R, which is the Single-Family and Multi-Family Residential District. It does allow for this type of development with a Conditional Use Permit. The subject property was developed as a single family residence and it was built to the existing setback requirements. There are no additional areas within the property to accommodate any growth, accessory uses, or off-street parking. The City of Elko issued a building permit in 1999 for the construction of the existing house. It was originally developed as an elderly care facility for 10 or fewer, therefore it did not require a CUP, as that is a principle permitted use within the zoning district. Beehive Homes was the original developer of the property and they owned the property until July 2017. At that time it was sold to the current owner, who leases the property to LYFE Recovery. The property owner's permission for LYFE Recovery to apply for this Conditional Use Permit was included in the packet. One of staff's largest concerns of this is it does not meet all of the applicable Codes and Master Plans, with the exception of 3-2-17. Staff looked at 3-2-17 a couple of different ways. If you look at it as a boarding house, or a rooming house, our current code requires one parking space per sleeping room, or one per bed whichever is greater. They also looked at it as ITE as well, which would require .45 parking spaces per room, that would equate to 4.5 parking spaces that are 9' by 20'. It currently has about 3.5 parking spaces in the front driveway area, none of which are outside the front setback. Our code requires that off-street parking be outside the front setback. But staff looks at this as a legal non-conforming use. If you look at the Code section that talks about legal non-conforming uses, they shall be known as non-conforming uses and may be allowed to continue provided, however, that such non-conforming uses may not be extended, enlarged, or changed to other non-conforming uses except by Conditional Use Permit. As this was approved in 1999, we pulled the original site plan, and it showed one ADA Handicapped Parking Space with an access aisle, and that was approved in 1999 by the City of Elko. Staff felt that this could continue as a legal non-conforming use, but they want to limit the parking to what is provided off street. Staff doesn't want to create a burden for the adjacent property owners with overflow parking on the street. Other concerns have been brought up through either verbal phone calls to the Planning Department, or communication amongst staff. Some of those concerns are rules of the Halfway House. Staff reached out to Ms. Payne and she provided copies of the rules for the house, which are in front of you. Staff also has concern that the property is currently being used. It is listed on several different venues for rooms for rent. Up to possibly 10 to 15 guests at a time. They are currently unlicensed to be using this facility for any use, so that is a large concern. On one of those websites it states that the host of the home is within 15 minutes away from the home. If that's the case, Ms. Laughlin's question for Ms. Payne on the rules was if they are being monitored by someone who lives within the facility or outside of the facility. How are the rules being enforced and monitored?

Chairman Aaron Martinez said to be clear. He asked if Ms. Laughlin's findings and conclusion in her memo was still consistent.

Ms. Laughlin said the findings were consistent and they do consider the parking as legal non-conforming. Her recommendation was if this was approved tonight, she would recommend the conditions listed in the memo.

Jeremy Draper, Development Manager, said the Development Department concurred with the Planning Department as it was presented, with this particular use. In Mr. Draper's memo under Recommendations, Recommendation Number 5, which would require additional parking, he

asked that to be struck, as this would be a Conditional Use Permit allowing for the continuation of this legal non-conforming use.

Bob Thibault, Civil Engineer, said the Engineering Department had the same concerns about parking.

John Holmes, Fire Marshal, stated that a fire inspection of the facility is mandatory, and keeping on an annual inspection rotation. If they are going to have over 10 occupants, sprinklers will need to be installed into the facility.

Scott Wilkinson, Assistant City Manager, concurred with a possible conditional approval based on what staff has presented. He thought they should hear from the applicant on how the rules are enforced and maintained at the facility, who is in charge at the facility, ensure that the rules are followed, and it would be beneficial to go through the rules with the applicant. There is a Midnight curfew, and he wasn't sure if that was appropriate for a residential setting. Have that type of discussion for the benefit of the public and the concerned residents that have testified tonight. One other concern he had was that he thought there was some information that has come to light that we have rentals occurring for traveling public. The applicant should address that issue with the Planning Commission. Mr. Wilkinson didn't believe that was the intent of the Conditional Use Permit Application.

Stacey Payne, 695 W Arroyo St. Reno, NV 89509, explained that her company runs structured housing, where there is a staff member on site who lives at the property. There are a set of rules and an intake packet that they go over during their admissions procedures to ensure that the resident understands that they are going to be held to the rules. They clearly state in the rules that there are numerous reasons for immediate grounds for discharge. That should there be any breach of the rules then they address them immediately with the onsite staff. They have a hierarchy of management in the Company. Ms. Payne is the owner, she has an Operations Director, Facility Director, and staff at each of her ten properties. She stated that she was really sympathetic to everyone in the community. They have residences in every community in Northern Nevada right now, Carson City, Dayton, Fallon, Elko, Reno, and Sparks. She also operated 15 homes in Las Vegas since 2014. They are not a new to running Halfway Houses. They aren't even Halfway Houses, because halfway houses provide social reintegration, which they do not. They provide structured supervised housing only. Treatment is all done offsite. They have requirements for people to participate in a recovery program, so that they do stay sober and clean, but they also understand that people are going to pick a multitude of treatment modalities. They encourage recovery in all of its forms, and they are there to support and encourage them to continue to do that. As far as drug use or alcohol use. They have a breathalyzer on site and if someone's drug of choice is alcohol, then anytime they return to the property they ask them to blow into the breathalyzer. If they are impaired or intoxicated they are not allowed to remain on the property. They have a preapproved plan with that person and their family as to what they would do at that point. They also do random drug testing. Their staff members do that on a random number generator basis. They use instant tests onsite, so they know the results immediately. What they've done while they tried to get all the paperwork ready for the Conditional Use Permit Application was listed it on *Airbnb*, and they do have residents who have booked with them through *Airbnb*. They are not operating as a life recovery property, so at this time they had someone who was local who would do a check-in for *Airbnb* residents that wanted to stay with them. As soon as the Conditional Use Permit is in place, then she will have a full

time staff member that will move to the property. Since they have had some residents come through Airbnb she comes out and spends two to three days a week. Curfew is 10:30 pm every night, and its 9:00 pm for the first thirty days. They have a pretty extensive business plan and an extensive amount of experience running sober living homes. This property is almost her 40th home. She ran 16 homes in northern California, 15 homes in Southern Nevada, and now the 10 locations in Northern Nevada.

Chairman Martinez asked what the current status of the facility was and who was using it. He also asked how a person would come into contact with her corporation in order to stay in the facility.

Ms. Payne explained that they have a listing on Airbnb, Craig's List, and Facebook Market Place.

Chairman Martinez asked if it was advertised as a nightly room.

Ms. Payne said it was not advertised as a recovery residence. They advertised it as nightly, weekly, or monthly.

Chairman Martinez said he was thrown off a bit by this application, because it was supposed to be a residential usage. He understood that the original facility, as constructed, was to be an elderly care facility. He asked under what portion of the permitted uses within the Code was allowing for the sale of each room individually. He asked if they were achieving the current permitted use today, or if they were already outside those lines.

Ms. Laughlin stated they were outside the lines. A rooming house, or boarding house, is not listed as a principle permitted use in the Residential Zoning District. An elderly care facility of ten or fewer is listed as a principle permitted use. That's how the Beehive Home was allowed to be there without a Conditional Use Permit. Even if you have three or more rooms that you rent, you are still required to have a City of Elko Business License and you are required to pay room tax on the nightly rentals. Currently neither one of those are being done.

Chairman Martinez was curious why this application was in front of the Planning Commission, when they are currently operating out of their permitted usage of that facility now.

Ms. Laughlin explained that Ms. Payne applied for Business license for the Lyfe Recovery Services home, and they denied that Business License because it needed a CUP, which was back in May or June of this past year. Staff provided support to Ms. Payne and told her she needed to have a Conditional Use Permit. That's why it's in front of you now. The business license was for a sober living facility, it wasn't for a rooming house.

Ms. Payne explained that they had a few problems with getting all of the plans that were needed to submit to the Planning Department. Month after month they were being delayed, so they did what they needed to do to generate revenue and listed it on Airbnb. It's not something that it was intended for, but this property is a financial responsibility of hers. It was just a way to make sure some of the rooms were being occupied and generating some revue.

Commissioner David Freistroffer asked Ms. Payne if she was aware of The Elko City Codes on boarding houses, etc.

Ms. Payne said no. In every City that they go into, they go to get a business license and make sure that they are operating correctly. It wasn't her intention to side swipe all of that, she just needed to get some revenue.

Commissioner Stefan Beck asked if this was a designated recovery house.

Ms. Payne said they operate under NRS 449.008. What they have worked with, the Health Care Quality Compliance, Don Sampson down in Las Vegas, is they fall under the threshold for HCQC, because they do not provide reintegration services. They are not a halfway house for released offenders, they aren't technically a halfway house. They operate under the NARR, which is the National Alliance of Recovery Residence. They have listed them as a Level 2 recovery residence, meaning that there is a management structure, set of rules, and those rules are followed by the company. In the NRS 449.008 there is a halfway house, which has reintegration services, they fall under that threshold because they don't provide treatment or counseling on site. They are not required to have HCQC, but they fall under the Fair Housing. They are an ADA population that falls under the Fair Housing Act.

Commissioner Beck said he wanted to know what the admission standards were.

Ms. Payne explained that a recovery house is like a bunch of roommates that want to live in a clean and sober environment, because they are all like-minded in trying to accomplish something. Their organization provides that kind of structure, oversight, and accountability. So it's a little more than a bunch of roommates living together, because they have a set of rules and a company that enforces those rules. People come in at all different stages of recovery. If she talks to someone and feels that they are going to go through a detox, and will have withdrawal symptoms, then this facility is not appropriate for them at that point, because they don't have anyone on staff that would help somebody through that particular period. If someone is willing to try to change their life, willing to try to follow the rules, and they are reaching out to live in an environment like theirs, then they will give them a shot. If it's not working out with that individual, if there are too many interior problems, then they are not going to have them continue to live there. The basic requirement is someone that is really trying to change their life and do it in a safe environment.

Chairman Martinez asked Ms. Payne how she was able to achieve that. He read that people could rent it on a nightly basis.

Ms. Payne explained that it is currently not a life recovery property yet. They are not operating with those rules, because they don't have the approval to do it. The rules and concept is not in that house right now, because they don't have the business license to operate Lyfe Recovery there. She has a variety of people living in the house.

Chairman Martinez said that concerned him, because it was outside of the City Code currently, which is a blatant disregard for how the City of Elko operates and the residents nearby. To come to this meeting and state, publicly, that she was operating illegally was shocking to Mr. Martinez.

He understood it was investment, and understood about generating revenue, but at the sacrifice of residents nearby, at some point you teeter off the ladder of acceptable, in his opinion.

Commissioner Freistroffer said he was struggling to understand how a company, which seems to be rather large, could be ill-informed about Elko's localities, rules on operating any properties. You have acquired a property that you don't know if you're going to get a CUP for. He wanted to understand if her legal department, or anybody, had looked at if this was a feasible place to have this, because the Planning Commission can deny it on many different grounds, and you're obviously putting a big investment into it.

Ms. Payne explained that this was the first time that she had to do something like this. She has business licenses and approvals in all of the other locations, and she never had to come to a City Planning Meeting and apply for a Conditional Use Permit. When she met with Ms. Laughlin, at first she didn't think she needed a CUP. She went on to explain more and more, to make sure that it was understood exactly what they were going to propose. Ms. Laughlin got back into the Code and in the Code they found that she needed to get a Conditional Use Permit. She has not had to have this experience in the past. What she has done in other counties, is have the Fire Marshal come out and sign off. Some of them don't come to the property, they just know that they are able to operate that. She has the City Engineer and the City Planner come out as well. She just had some out today in the Fallon house, and they had one thing that needed to be changed and then they signed them off. She didn't intend to get outside of any of Elko's rules, laws, or anything else. If this is disapproved then it will be a business loss. She did a lot of due diligence. She came out here month after month, until May when the property was bought, and she talked to residents in the town. There are no sober living homes in Elko, except for one that is attached to Vitality Center. They looked at what they could bring to Elko as a large organization that has had 17 years of experience.

Commissioner Freistroffer thought if it was an admirable business to start in this town, there is a need. He asked Ms. Laughlin if she could comment on what she perceived in the Cities procedures that may have hung this up, or what has caused a delay since June or July. He asked Ms. Payne if she acquired the property in July.

Ms. Payne said they moved in in July.

Ms. Laughlin explained that she had discussed this with Ms. Payne in June, as well as another individual that worked for Lyte Recovery that's no longer there. When the Business License came in Ms. Laughlin denied it, because it needed a CUP. Staff was basing it off of the definition of Halfway House in Section 3-2-2. If you look at the definition and the application, as well as the services provided listed on her website, staff felt that it truly was a house for recovering alcohol and drug abusers. In the R District it does require a CUP. She gave them the application at that time. Staff could not give Ms. Payne copies of the plans that were submitted in 1999 without confirmation from the architect or design professional that developed the plans. We let her know at that time, part of our application process is the Site Plan and Elevations of the property. Then Ms. Payne came in in August to submit the application for the September Planning Commission Meeting, she was one day late and the application wasn't filled out at that time. We asked her to fill out the application and she missed the September meeting, but we would take it onto the October meeting. Ms. Laughlin did not see her again until three weeks ago. It has not been a delay on behalf of the City of Elko, we have tried to accommodate Ms.

Payne and everything she needed, but for us to sign off on a business license for halfway house on Winchester on this property, it would require a Conditional Use Permit.

Commissioner Freistroffer said he was trying to get to the seriousness of this business, which could be operating this facility in a residential neighborhood. He asked Ms. Laughlin where, in her mind, could they have gotten the idea that they didn't need a permit, then they did need a permit, and it was something that made her take time.

Ms. Laughlin explained at first it was a residential group facility, and they were looking at the definitions under residential group facility, which is a different section in the Residential Code. As time went on we learned more about the business, we said no, it would require a Conditional Use Permit.

Commissioner Freistroffer asked if Ms. Payne was informed of that in July. (Yes)

Commissioner Kevin Hodur asked Ms. Payne when she added Elko to her website.

Ms. Payne explained that they uploaded Elko and her Webmaster didn't put the three properties as "coming soon". When it was brought to their attention of it being live on their website they changed it to "coming soon".

Commissioner Hodur pointed out that he didn't see the "coming soon" designation. He then read the statement from the website.

Ms. Payne said that was her Webmaster.

Commissioner Jeff Dalling asked when they were looking at homes if there were any other homes available other than Winchester.

Ms. Payne explained that she had a man that buys properties for her. When they were invited to Vitality Center to do a presentation she got on a phone call with him on her way home from Elko. He said he got a call from the owner of Beehive, he buys distressed properties or properties that owners want to sell for cash. Both of the properties on Winchester were on the market. He told Ms. Payne that it was perfect for her. She said she couldn't have asked for a better property. They were trying to buy both of them. In the meantime, while they were researching the area the property across the street went into contract as a single family home. She would look for more properties like this, or have them built, because for 10 residents to have their own room, half bath, and a large common area is exactly what they want for people who are going to live there for a year or two. Their goal is not to have people come in and out, their goal is to have them live there for a year or two and truly achieve long lasting sobriety.

Commissioner Dalling said that Ms. Payne lives in Reno, so she won't be there, but the neighbors will be there every day. Their lives and their kids will be affected by this. He asked Ms. Payne what her safety net was for the neighbors and what she had to say to them to make them feel better about this.

Ms. Payne said most of time they do extensive property renovations. Normally they go in and improve the property, but this one was move in ready. The concerns about property value going

down generally isn't the case. The other thing she wanted to say was that not too many neighbors have a phone number they can call 24/7 if they needed to reach someone that's going to do something about whatever is going on. They have an extensive list of good neighbor policies. They never park in front of another person's house, they never have loud music, they have a 10 pm quiet time, and they have someone on site that is going to manage those people. They act immediately, Ms. Payne distributes her cards, she becomes friends with the neighbors, and they don't hide what they are. There is a number that can be called day or night to let her know if something is going on. They try to stay to themselves and to just be a value to the community.

Mr. Wilkinson said Ms. Payne talked about if someone had to be discharged that she had a program set in place with family members. He asked what would happen if that support does not materialize, but you need to discharge someone. Are they just asked to leave, and they're kicked out loose in the neighborhood?

Ms. Payne said they are very cognizant of their neighborhood, and they would never put someone on who is impaired, or intoxicated, in car or out in the neighborhood. If they don't have a family that they would go to, or if there is no one to call, then they take them to the local detox, or to a hotel with a buddy. So, that person will hopefully stop using and come to their senses the next day.

Mr. Wilkinson had one other question. He said they had discussion about Ms. Payne's need to generate revenue. He asked what percent vacancy she had with these type of facilities. Mr. Wilkinson said he would be looking for an assurance that if she have vacancies that they wouldn't be advertised for other uses outside of that. He thought she could get into some explanation to the Board with regard to those issues.

Ms. Payne explained that they were anticipating getting this Conditional Use Permit in place, so they can operate as what they really are. If they are denied, they will, more than likely, shut the house down. It doesn't operate for them, they are not a motel. They're occupancy rates, they stay pretty full. There is a very large population in every City in the Nation of substance abusers. They market to the treatment program discharge coordinators that this is the next step for someone coming out of treatment. They encourage that rather somebody come out of a 30 day program that they are put in to a recovery residence, where they can continue to be monitored and held accountable.

Mr. Wilkinson asked if they were typically local residents that go to those homes.

Ms. Payne said generally everyone that moves into a house is local.

Commissioner Beck asked Ms. Payne if she were denied, if she would give up and leave Elko, or if she had other options.

Ms. Payne said she hadn't entertained that, because she wouldn't believe that an organization serving an underserved population, with the Americans with Disabilities Act and the Fair Housing Act behind them, that they would not be approved with everything that they have done. With that said, this property is very expensive to operate. Everyone that lives in the house has to pay rent, they are not a free organization. They are not County, State, or federally funded. They don't bill insurance. In order to afford to live there, people have to work and pay rent. It's part of

becoming stabilized. If they were to be denied, they would continue the conversation and see what the Commission would want them to do in order to operate here, because they have put a lot into the property.

Mr. Thibault asked if there was a more appropriate zone, one in which a halfway house is a principle permitted use.

Ms. Laughlin explained that a halfway house is not listed as a principal permitted use in any of the City's Zoning Districts.

Mr. Thibault asked if the Residential District was the only one in which it is listed as a Conditional Use. (Yes) So this is the most appropriate Zone for this type of facility.

Ms. Payne added that they are not a treatment program. People that live with them are residents, they aren't patients. They want to live in a home. They want to live with their families and their families are not letting them live with them, because it's dysfunctional. Putting them into some other warehouse area is dehumanizing what people are trying to do in their home.

Steven Sharp, 1635 Winchester Drive, asked if the residence was going to cause more cops or more conflict in the neighborhood when someone had to be removed. He also asked if this does pass, would you want a halfway house next door.

Desiree Leniger, 1696 Winchester Drive, said her concern was that they had already broken rules with the City to generate revenue. She asked if, for the right price, the members of the house could also break the rules. They are already causing issues with the City, are they going to cause issues with the residents as well.

Ms. Laughlin read into the record the conditions listed in the Staff Report that would be applied if the Commission were to approve this application.

Miguel Cespedes, 1635 Winchester Drive, said they probably had a drug problem in the area. It would be like putting a beer in front of an alcoholic. He said it was a quiet neighborhood. He was concerned with his wife staying home alone at night and not being able to contact her because he's out at the mine. With the Airbnb that is going on they have people parking in front of their homes. He asked why Ms. Payne didn't come talk to them about what she was planning for the house.

Codie Sharp, 1635 Winchester Drive, said there are people using drugs in the neighborhood. There are people smoking weed, they smell it all the time. She asked if it was a neighborhood where you would bring people that are trying not to relapse. She said they already had people parking in their driveways. Every night there is a new car on the street. The people that are living in the house now, come and go whenever they please, they park wherever they want, and they walk up and down the street. They moved into the neighborhood knowing that that was a Beehive Home, that it was an old folk's home. They were very quiet and kept to themselves. Her main concern was that this would come in and cause chaos and ruckus.

Commissioner Dalling asked Mr. Holmes what the number was that they had to add the fire suppression system.

Mr. Holmes stated if they had 10 or more occupants, they would have to add a sprinkler system, because of being a boarding/halfway house.

Commissioner Dalling asked if the house had eleven rooms. (Correct)

Ms. Payne thought there was already a Fire Suppression system in the house.

Mr. Homes added that he hadn't been to the location, but it would be a requirement for the Business License.

Commissioner Dalling asked Chief Reed if he could fill the Commission in on any of his run-ins with this kind of business, and what his thoughts were.

Ben Reed said he could only draw on his experience where he used to work. They had a number of problems in the City Police Department there with Group Homes for juveniles in particular, but also for this type of operation with alcohol and drug abusers that were in stages of recovery. It's when they struggle, relapse, and don't comply. Some of the houses, and operations were better, and some were much worse. It typically depended on the level of management, how proactive they were, and how accountable they were. That City, at that time, made some efforts, as the years went by and the problems surfaced, to enact some addition regulations, such as a Conditional Use Permit. Chief Reed said he responded to those places, as an officer, a supervisor, and later as management, and dealt with some of the oversight and the problems with the neighbors. Some of them are fairly quiet and some very problematic. In general guidance, either prohibit, deny it, or if you're going to allow it you will want to put significant amount of controls in place, to give the City the handle that is needed.

Commissioner Hodur asked who the permit would be issued to, since the company is leasing the property.

Ms. Laughlin explained that it would be granted to the property owner for Lyfe Recovery Services LLC, which is the applicant for the use of a halfway house.

Commissioner Hodur asked if the permit still went to the owner(s).

Ms. Laughlin explained that the permit will get recorded to the property, but it can be transferred to a new property owner, if the property were to be sold.

Chairman Martinez commented that Ms. Payne identified her company as having extensive experience in the real estate industry, broadcasting all over Northern Nevada. That is a concern of his, because this item is a basic Planning issue, which is dealt with in every community across the country. Permitted uses verses non-permitted uses in a Residential Zoning District is day one planning stuff. For a company of this size Mr. Martinez thought Ms. Payne would have done her land planning properly, to identify this parcel in its current zoning application. He understood that in the Residential Zoning District it is a CUP type of usage. This facility was brought in as elderly facility. He also thought the facility was ill equipped for all the things that Ms. Payne was identifying. With eleven rooms this facility should have never been built. The fact that there is not enough off-street, or on-street, parking to achieve that. If you have eleven residents there will

potentially be eleven vehicles, or more. There have been some previous decisions made about this facility that has allowed it here on the Commission's lap today. This facility cannot handle 11 groups of people going through there. They will be parking all across the street and the Commission has been trying to clean up the off-street parking. In his opinion this company was grossly mistaken on this facility, its usage and utilization in this Zoning District is not appropriate. This is not the right place for it. He thought the City was stuck with the facility and they would see future applications of some sort of occupation along the lines of an elderly care facility. Mr. Martinez stated that he was not a fan of this application and the way that it had been operating. He thought it was too uncertain, but there was a path forward. That path would be along the lines of each individual occupying the facility signing a lease. He thought the applicant would want to provide leases beyond 3 months for people that are targeting sobriety.

Commissioner Freistroffer agreed with Mr. Martinez. He stated this issue was that the applicant had shown a severe lack of due diligence on researching the property and its suitability for having a minimum of eleven residents, and have also rented the rooms out against City Code. That made Mr. Freistroffer doubt the seriousness of this business. They weren't in compliance now and Mr. Freistroffer didn't think they would be in compliance with many things having to do with the Conditional Use Permit in the future.

Commissioner Hodur thought this was the type of facility that would be a benefit to the community. He had some concerns however. Where do you put a facility such as this? He was ill at ease overall with how to proceed, because this is a facility that the community needs, however there are issues.

Commissioner Freistroffer added that it is an admirable use. He thought that the way that the Code was structured this seems to be the most appropriate zone for it to be in. Just not with this particular facility, which seems to not be dimensioned for the lot or the space.

Chairman Martinez disagreed with that. He thought it was more of a multifamily, or some sort of a buffer zone. He thought a principle residential zoning district was not appropriate for this type of facility.

Commissioner Hodur said one of the questions for the Commission is, for a structure that is already built within this neighborhood, what are they considering to be an acceptable use.

Chairman Martinez said what it was originally permitted for, or a residential only. Currently under the Code it is allowed to operate under all the permitted uses. This is a non-permitted use.

Commissioner Hodur asked if this was a non-permitted use.

Chairman Martinez clarified that it was a non-principle use for the facility.

Mr. Wilkinson explained that it is allowed under a Conditional Use Permit. The Commission hasn't had a discussion on limitations on occupancy. That might be a discussion you could have with the applicant, it may not fit their model, which addresses some of the concerns. The limitation would be a low number to accommodate the available parking. That may not work for them, and it just may not be an appropriate use regardless.

Ms. Laughlin said if parking was the concern, there is an empty lot behind the facility and a parking lot around the corner, there is a Section in the Code that states for rooming houses, they may provide parking in a parking lot not further than 200 feet from the entrance to the dwelling unit it is intended to serve. If there is an issue with the parking, maybe the applicant could come up with a parking agreement.

Chairman Martinez thought there was conflict there. He thought that under several circumstances they were not allowed to utilize a separate parcel as a parking lot for another location.

Mr. Draper explained for a Commercial use a parking lot is allowed to be on a separate parcel, but it is required to have a Conditional Use Permit.

Mr. Wilkinson added that they would have to control the property that they were parking on.

Commissioner Tera Hooiman said that Ms. Payne was in the business of making and enforcing rules. The City of Elko has rules, laws, and regulations in place that Ms. Payne and her business have broken. Ms. Hooiman said that she couldn't go past that.

*****Motion: Deny Conditional Use Permit No. 6-17.**

Commissioner Freistroffer's findings to support his motion was that this was not a suitable use for the property, and that the business was not in compliance currently.

Moved by David Freistroffer, Seconded by Tera Hooiman.

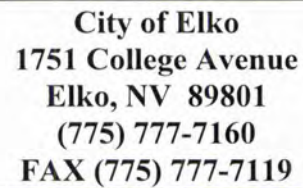
Vote: Motion passed (3 – 2 Commissioners Hodur and Beck voted no).

Mr. Wilkinson notified the applicant of her right to appeal and that it was time sensitive.

1. Review, consideration, and possible action on Zoning Ordinance Amendment 3-17, Ordinance No. 825, specifically an amendment to Title 3, Chapter 2 of the Elko City Code entitled Zoning Regulations adding a new Section 29 entitled "Marijuana Establishments and Medical Marijuana Establishments Prohibited," and matters related thereto. **FOR POSSIBLE ACTION**

At the October 24, 2017 meeting, City Council took action to initiate an amendment to the City Zoning Ordinance establishing a new Section 3-2-29 of the Elko City Code, and referring the matter to the Planning Commission for further action in accordance with Elko City Code Section 3-2-21.

Ms. Laughlin explained that the State of Nevada passed a law allowing recreational marijuana establishments starting July 1, 2017. As a practical matter the City Code prohibits the City from issuing a business license for a marijuana establishment, whether it is medical or recreational, because the business for which the license is applied for is unlawful under the Federal Controlled Substance Act. In terms of land use, we currently do not have medical or recreational marijuana establishments of any kind listed as principle, conditional, or accessory uses in any of the City's Zoning Districts. The Nevada State Law allows for Municipalities to prohibit both medical and recreational marijuana establishments through zoning ordinances, or other land use restrictions.



MEMO DATE:	November 21, 2017
PLANNING COMMISSION DATE:	December 5, 2017
AGENDA ITEM NUMBER:	I. A. 2.
APPLICATION NUMBER:	Conditional Use Permit 6-17
APPLICANT:	Lyfe Recovery Services LLC
PROJECT DESCRIPTION:	1683 Winchester Drive
ADDITIONAL APPLICATIONS:	

RECOMMEND APPROVAL, subject to findings of fact, conditions and waivers.

PROJECT INFORMATION

PARCEL NUMBERS: 001-920-054

PROPERTY SIZE: .21 Acres

EXISTING ZONING: Residential

MASTER PLAN DESIGNATION: Residential High Density RES-HD

EXISTING LAND USE: Residential

NEIGHBORHOOD CHARACTERISTICS:

The property is surrounded by:

North: (R) Residential / Developed
East: (R) Residential / Undeveloped
South: (R) Residential / Developed
West: (R) Residential / Developed

PROPERTY CHARACTERISTICS:

- The property is zoned R (Residential) Zoning District, which allows this type of development with a conditional use permit.
- The subject property is developed consisting of a single family residence that is built to all existing setbacks
- The City Master Plan Land Use Designation for this area is Residential High Density.
- Project access is at Winchester Drive.

BACKGROUND:

1. City of Elko issued a building permit in 1999 for the construction of the existing structure. It was originally developed as an elderly care facility for 10 or fewer and therefore did not require a CUP when developed.
2. Beehive Homes was the original developer of the property and owned the property until July 2017.
3. There are approximately 3.5 parking places available off street although they are in the front setback. The site Plan approved in 1999 showed one ADA stall and access aisle as parking.

APPLICABLE MASTER PLANS AND CITY CODE SECTIONS:

- Land Use Component of the Elko City Master Plan
- Transportation Component of the Elko City Master Plan
- City of Elko Redevelopment Plan
- City of Elko Zoning – Section 3-2-3 General Provisions
- City of Elko Zoning – Section 3-2-4 Zoning Districts

- Section 3-2-5(E) of the Elko City Zoning Ordinance (R) Residential Zoning District
- City of Elko Zoning – Section 3-2-17 Traffic, Access, Parking and Loading Regulations
- City of Elko Zoning – Section 3-2-18 Conditional Use Permits

MASTER PLAN:

LAND USE:

The listed Goal of the Land Use component states “Promote orderly, sustainable growth and efficient land use to improve quality of life and ensure new development meets the needs of all residents and visitors”.

- Objective 1: Promote a diverse mix of housing options to meet the needs of a variety of lifestyles, incomes, and age groups.
 - Best Practice 1.1: Plan for and encourage a mix of housing types throughout the community.
 - Best Practice 1.2: Encourage high-quality housing design to strengthen neighborhood acceptability, while encouraging variety and beauty.
 - Best Practice 1.3: Work towards equitable, and even, distribution of housing types throughout the community.
 - Best Practice 1.4: Consider housing policy an opportunity to promote sustainable, adaptable, and efficient neighborhoods.
- Objective 8: Ensure that new development does not negatively impact County-wide natural systems, or public/federal lands such as waterways, wetlands, drainages, floodplains etc., or pose a danger to human health and safety.

TRANSPORTATION:

- Best Practice 2.1: Access Management, meets requirements.

ELKO WELLHEAD PROTECTION PLAN

- The property is located outside the 30-year capture zone for several City wells.

SECTION 3-2-3 GENERAL PROVISIONS

- Section 3-2-3 (C) 1 of City code specifies use restrictions. The following use restrictions shall apply.
 1. Principal Uses: Only those uses and groups of uses specifically designated as “principal uses permitted” in zoning district regulations shall be permitted as principal uses; all other uses shall be prohibited as principal uses
 2. Conditional Uses: Certain specified uses designated as “conditional uses permitted” may be permitted as principal uses subject to special conditions of location, design, construction, operation and maintenance hereinafter specified in this chapter or imposed by the planning commission or city council.

3. Accessory Uses: Uses normally accessory and incidental to permitted principal or conditional uses may be permitted as hereinafter specified.

Other uses may apply under certain conditions with application to the City.

- Section 3-2-3(D) states that “No land may be used or structure erected where the land is held by the planning commission to be unsuitable for such use or structure by reason of flooding, concentrated runoff, inadequate drainage, adverse soil or rock formation, extreme topography, low bearing strength, erosion susceptibility, or any other features likely to be harmful to the health, safety and general welfare of the community. The planning commission, in applying the provisions of this section, shall state in writing the particular facts upon which its conclusions are based. The applicant shall have the right to present evidence contesting such determination to the city council if he or she so desires, whereupon the city council may affirm, modify or withdraw the determination of unsuitability.”

The proposed development is in conformance with this section of code.

SECTION 3-2-4 ESTABLISHMENT OF ZONING DISTRICTS

- Section 3-2-4(B) Required Conformity To District Regulations: The regulations set forth in this chapter for each zoning district shall be minimum regulations and shall apply uniformly to each class or kind of structure or land, except as provided in this subsection.
- Section 3-2-4(B)(4) stipulates that no yard or lot existing on the effective date hereof shall be reduced in dimension or area below the minimum requirements set forth in this title.

SECTION 3-2-5(E)(3)

- Conditional Uses Permitted: Any of the following uses may be permitted as principal uses upon approval of a conditional use permit in accordance with provisions of this chapter and those set forth in section 3-2-18 of this chapter regarding conditional use permits. In reviewing conditional use permit applications, the planning commission shall ensure that adequate light and air, ingress and egress, and compatibility with other uses in the neighborhood are maintained.
- Halfway house for recovering alcohol and drug abusers is listed as a conditional use permitted in the R- Residential zoning district.

SECTION 3-2-17

- ITE states that .45 parking spaces per room are required for off street parking. That equates to 4.5 parking spaces that are 9’x20’.
- Elko City Code 3-2-17(D)(2) states: In any residential zoning district other than the RMH-1 district, no required off street parking space shall be located in a required front yard or interior side yard. The existing parking spaces are in the front yard setback as well as partially in the right-of-way.
- There is no garage or accessory building for the residence.

- Elko City Code 3-2-19 states “Legal non-conforming uses shall be known as nonconforming uses and may be allowed to continue; provided, however, that such nonconforming uses may not be extended, enlarged or changed to other nonconforming uses, except by conditional use permit.” (B) states, Nonconforming uses are not limited to, but may include and consist of the following: A nonconforming use of property, such as any commercial, industrial or residential use not listed as a principal, permitted use within the existing underlying zoning district; nonconforming structures or buildings such as any building or structure that is noncompliant with area, height or setback requirements of the existing underlying zoning district; and nonconforming development standards, such as noncompliant off street parking, including: 1. Quantity of spaces;
- As approved in 1999, I believe that the parking can continue as legal non-conforming and limited to the amount of parking that is provided off street.

SECTION 3-2-18

- Conformance with this section is required

REDEVELOPMENT PLAN:

- The proposed project is not within the Redevelopment area.

FINDINGS:

- The proposed development is in conformance with the Land Use component of the Master Plan
- The proposed development is in conformance with the existing transportation infrastructure and the Transportation component of the Master Plan
- The site is suitable for the proposed use.
- The proposed development is in conformance with the City Wellhead Protection Program.
- The proposed use is in conformance with City Code 3-2-5(E) Residential with the approval of the Condition Use Permit.
- The proposed development is in conformance with 3-2-3, 3-2-4, 3-8 and 3-2-18 of the Elko City Code.
- The existing off street parking is considered legal non-conforming.
- Development under the proposed conditional use will not adversely impact natural systems, or public/federal lands such as waterways, wetlands, drainages, floodplains etc., or pose a danger to human health and safety.

RECOMMENDATION:

Staff recommends approval for Conditional Use Permit No. 6-17, filed by Lyfe Recovery Services LLC, subject to the following conditions of approval:

Planning Department:

1. CUP issued for specific use of a halfway house and not a residential boarding house.
2. Property advertising for rooms for rent to be removed from websites such as Airbnb and others.
3. CUP effective date to be date City of Elko business license is issued.
4. Compliance with all city, state and federal laws required.
5. Overflow parking for residents or guests on street is prohibited.

Development Department:

Included in Memorandum dated September 19, 2017 from Development Manager

1. The conditional use permit is granted to the property owner(s) allowing for the use of an existing building as a Halfway House.
2. The permit shall be personal to the property owner(s) and applicable only to the specific use and to the specific property for which it is issued. However, the Planning Commission may approve the transfer of the conditional use permit to another owner. Upon issuance of an occupancy permit for the conditional use, signifying that all zoning and site development requirements imposed in connection with the permit have been satisfied, the conditional use permit shall thereafter be transferable and shall run with the land, whereupon the maintenance or special conditions imposed by the permit, as well as compliance with other provisions of the zoning district, shall be the responsibility of the property owner.
3. The property owner records the conditional use permit.
4. The conditional use permit shall automatically lapse and be of no effect one year from the issuance unless the permit holder is actively engaged in developing the specific property to the use for which the permit was issued.

Fire Department:

6. Compliance with 2012 International Fire Code prior to occupancy.



CITY OF ELKO
DEVELOPMENT DEPARTMENT
1755 COLLEGE AVENUE
ELKO, NEVADA 89801
(775)777-7210
(775)777-7219 FAX

To: Elko Planning Commission
From: Jeremy Draper – Development Manager
RE: Conditional Use Permit No. 6-17, Lyfe Recovery Services
Date: September 19, 2017

The City of Elko Development Department has provided this correspondence to aid in the Planning Commission's review of Conditional Use Permit No. 6-17 for the use of an existing facility for a .
Applicable Master Plan Sections, Coordinating Plans, and City Code Sections are:

- City of Elko Master Plan – Land Use Component
- City of Elko Master Plan – Transportation Component
- City of Elko Redevelopment Plan
- City of Elko Wellhead Protection Plan
- City of Elko Zoning – Section 3-2-3 General Provisions
- City of Elko Zoning – Section 3-2-4 Zoning Districts
- City of Elko Zoning – Section 3-2-5-E, (R) Single-Family and Multiple-Family Residential District
- City of Elko Zoning – Section 3-2-17 Traffic, Access, Parking and Loading Regulations
- City of Elko Zoning – Section 3-2-18 Conditional Use Permits
- City of Elko Zoning – Chapter 3-8 Flood Plain Management
- City of Elko Zoning – Title 9 Chapter 8 Post Construction Runoff Control and Water Quality Management

BACKGROUND INFORMATION



- The property is identified as APN: 001-920-054, 1683 Winchester Dr.
- The application for the Conditional Use Permit (CUP) was filed as required under Section 3-2-5-E-3 of city code. This section of code requires a conditional use permit for a Halfway House for recovering alcohol and drug abusers.
- The applicant indicates that the type of use for the property is to house single adult individuals seeking a community of people working together to improve their situation in their life.
- The applicants business website advertises their services as drug and alcohol addiction treatment.
- The area is currently zoned R.
- The area is located generally 1,500 ft south of the intersection of Lamoille Highway and Colt Drive.
- The area is developed.
- The property is bound by Residential property on all side.
- A site plan has been provided.
- The property was originally developed as Beehive Homes, an assisted living facility. At the time of development a CUP was not required.

MASTER PLAN:

Land use:

- The Master Plan Land Use Atlas shows the area as High Density Residential
- The listed Goal of the Land Use component states "Promote orderly, sustainable growth and efficient land use to improve quality of life and ensure new development meets the needs of all residents and visitors".
- Objective 1: Promote a diverse mix of housing options to meet the needs of a variety of lifestyles, incomes, and age groups.
- Objective 6: Encourage multiple scales of commercial development to serve the needs of the region, the community, and that of individual neighborhoods.
- Objective 8: Ensure that new development does not negatively impact County-wide natural systems, or public/federal lands such as waterways, wetlands, drainages, floodplains etc., or pose a danger to human health and safety.

Transportation:

- The property fronts Winchester Dr, a local roadway
- Access to Lamoille Highway, a major arterial can be gained through Colt Dr. or Pinion Road.

ELKO REDEVELOPMENT PLAN:

- The property is located outside of the redevelopment area

ELKO WELLHEAD PROTECTION PLAN:

- The area is located outside the 30 year zones for City wells.

SECTION 3-2-3 GENERAL PROVISIONS

- Section 3-2-3(C)(1) of City code specifies use restrictions. The following use restrictions shall apply:
 - Principal Uses: Only those uses and groups of uses specifically designated as "principal uses permitted" in zoning district regulations shall be permitted as principal uses; all other uses shall be prohibited as principal uses.
 - Accessory Uses: Uses normally accessory and incidental to permitted principal or conditional uses may be permitted as hereinafter specified.
- Other uses may apply under certain conditions with application to the City.
- Section 3-2-3(D) states that "No land may be used or structure erected where the land is held by the planning commission to be unsuitable for such use or structure by reason of flooding, concentrated runoff, inadequate drainage, adverse soil or rock formation, extreme topography, low bearing strength, erosion susceptibility, or any other features likely to be harmful to the health, safety and general welfare of the community. The planning commission, in applying the provisions of this section, shall state in writing the particular facts upon which its conclusions are based. The applicant shall have the right to present evidence contesting such determination to the city council if he or she so desires, whereupon the city council may affirm, modify or withdraw the determination of unsuitability."

The proposed development is in conformance with this section of code.

SECTION 3-2-4 ESTABLISHMENT OF ZONING DISTRICTS

- Section 3-2-4(B) Required Conformity To District Regulations: The regulations set forth in this chapter for each zoning district shall be minimum regulations and shall apply uniformly to each class or kind of structure or land, except as provided in this subsection:
- Section 3-2-4(B)(4) stipulates that no yard or lot existing on the effective date hereof shall be reduced in dimension or area below the minimum requirements set forth in this title.

The proposed use will be in conformance with code.

SECTION 3-2-5-E-SINGLE-FAMILY AND MULTIPLE FAMILY RESIDENTIAL DISTRICT

- Section 3-2-5-(E)-3 The following uses are permitted in the R general commercial zoning district only with a conditional use permit:
 - Halfway house for recovering alcohol and drug abusers

Conformance with this section of code is required.

SECTION 3-2-17-Traffic, Access, Parking and Loading Regulations

1. The property was developed with parking that is not outside of the frontyard setback, it was developed with a possible 4 parking stalls within the frontyard setback, this appears to be a legal non-conforming use for the parking.

2. ITE provided guidance of 0.45 parking spaces per unit for a Congregate Care Facility, the facility has 10 beds which would result in 5 spaces being required based on this guidance.

SECTION 3-2-18-Conditional Use Permits:

1. Conformance with this section of code is required

SECTION 3-8-Floodplain Management:

1. The property is not located within a designated flood plain.

FINDINGS

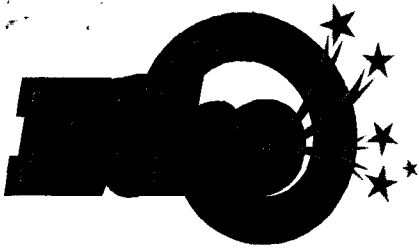
- The proposed use is consistent with the Land Use Component of the Master Plan.
- The site is suitable for the proposed use.
- The Redevelopment Plan does not apply to the proposed use and location.
- The proposed development is in conformance with the City Wellhead Protection Program.
- Development under the proposed conditional use will not adversely impact natural systems, or public/federal lands such as waterways, wetlands, drainages, floodplains etc., or pose a danger to human health and safety.
- The proposed use is consistent with the existing transportation infrastructure and Transportation Component of the Master Plan.
- The proposed use is consistent with surrounding land uses.
- The proposed use is in conformance with City code, Section 3-2-5-E – Single-Family and Multiple-Family District with the approval of a Conditional Use Permit
- The proposed use is in conformance with City code, Section 3-8 Flood Plain Management.
- The proposed use is in conformance with City code, Section 3-2-17.

RECOMMENDATION:

The City of Elko, **Development Department** recommends conditional approval of this item based on the following conditions:

1. The conditional use permit is granted to the property owner(s) allowing for the use of an existing building as a Halfway House.
2. The permit shall be personal to the property owner(s) and applicable only to the specific use and to the specific property for which it is issued. However, the Planning Commission may approve the transfer of the conditional use permit to another owner. Upon issuance of an occupancy permit for the conditional use, signifying that all zoning and site development requirements imposed in connection with the permit have been satisfied, the conditional use permit shall thereafter be transferable and shall run with the land, whereupon the maintenance or special conditions imposed by the permit, as well as compliance with other provisions of the zoning district, shall be the responsibility of the property owner.
3. The property owner records the conditional use permit.
4. The conditional use permit shall automatically lapse and be of no effect one year from the issuance unless the permit holder is actively engaged in developing the specific property to the use for which the permit was issued.

5. A total of 5 parking spaces are provided for the property.



CITY OF ELKO PLANNING DEPARTMENT

1751 College Avenue * Elko * Nevada * 89801

(775) 777-7160 phone * (775) 777-7119 fax

APPLICATION FOR CONDITIONAL USE PERMIT APPROVAL

APPLICANT(s): LIFE Recovery Services LLC

(Applicant must be the owner or lessee of the **proposed** structure or use.)

MAILING ADDRESS: 695 W. Arroyo St Reno NV 89509

PHONE NO. (Home) 702-446-7561 (Business) 980-590-9491

NAME OF PROPERTY OWNER (If different): Carl Bassett

(Property owner's consent in writing must be provided.)

MAILING ADDRESS: _____

LEGAL DESCRIPTION AND LOCATION OF PROPERTY INVOLVED (Attach if necessary):

ASSESSOR'S PARCEL NO.: 001-920-054 Address 1683 Winchester Dr Elko NV

Lot(s), Block(s), & Subdivision _____ 89801

Or Parcel(s) & File No. _____

FILING REQUIREMENTS

Complete Application Form: In order to begin processing the application, an application form must be complete and signed. *Complete* applications are due at least 21 days prior to the next scheduled meeting of the Elko City Planning Commission (meetings are the 1st Tuesday of every month).

Fee: A \$750.00 non-refundable fee.

Plot Plan: A plot plan provided by a properly licensed surveyor depicting the proposed conditional use permit site drawn to scale showing property lines, existing and proposed buildings, building setbacks, distances between buildings, parking and loading areas, driveways and other pertinent information that shows the use will be compliant with Elko City Code.

Elevation Plan: Elevation profiles including architectural finishes of all proposed structures or alterations in sufficient detail to explain the nature of the request.

Note: One .pdf of the entire application must be submitted as well as one set of legible, reproducible plans 8 ½" x 11" in size. If the applicant feels the Commission needs to see 24" x 36" plans, 10 sets of pre-folded plans must be submitted.

Other Information: The applicant is encouraged to submit other information and documentation to support this conditional use permit application.

RECEIVED

1. Current zoning of the property: Zoned R Single-Family Residential
2. Cite the provision of the Zoning Ordinance for which the Conditional Use Permit is required:
325E3
3. Explain in detail the type and nature of the use proposed on the property:
Housing for single adult individuals seeking a community of people working together to improve their situation in their life.
4. Explain how the use relates with other properties and uses in the immediate area:
This is a multi-unit ~~residential~~ property within a residential neighborhood consisting of single-family homes, apartments. The use is consistent with what is currently available in the surrounding neighborhood.
5. Describe any unique features or characteristics, e.g. lot configuration, storm drainage, soil conditions, erosion susceptibility, or general topography, which may affect the use of the property:
I do not believe there are any unique features. The property is built like any other property (residential) in the surrounding neighborhood.
6. Describe the general suitability and adequacy of the property to accommodate the proposed use:
The property was built & intended for multi-person use. It's original intended use was as an assisted care home for senior adults. We will be using it in the same capacity for single adults.

7. Describe in detail the proposed development in terms of grading, excavation, terracing, drainage, etc.:

NONE NEEDED

8. Describe the amounts and type of traffic likely to be generated by the proposed use:

There are potentially 10 bedrooms for intended use, so the traffic would be determined by how full capacity the home is. Most residents in our demographic would be on public transportation &/or vehicle, up to 10.

9. Describe the means and adequacy of off-street parking, loading and unloading provided on the property:

We have 4 parking spots on property & 4 on-street parking directly in front of property. The street itself is wide enough for normal traffic & any delivery.

10. Describe the type, dimensions and characteristics of any sign(s) being proposed:

NO SIGNAGE

11. Identify any outside storage of goods, materials or equipment on the property:

NONE

12. Identify any accessory buildings or structures associated with the proposed use on the property:

NONE

(Use additional pages if necessary to address questions 3 through 12)

By My Signature below:

☒ I consent to having the City of Elko Staff enter on my property for the sole purpose of inspection of said property as part of this application process.

☐ I object to having the City of Elko Staff enter onto my property as a part of their review of this application. (Your objection will not affect the recommendation made by the staff or the final determination made by the City Planning Commission or the City Council.)

☒ I acknowledge that submission of this application does not imply approval of this request by the City Planning Department, the City Planning Commission and the City Council, nor does it in and of itself guarantee issuance of any other required permits and/or licenses.

☒ I acknowledge that this application may be tabled until a later meeting if either I or my designated representative or agent is not present at the meeting for which this application is scheduled.

☒ I have carefully read and completed all questions contained within this application to the best of my ability.

Applicant / Agent Stacey S. Payne, LYFE Recovery Services
(Please print or type)

Mailing Address 695 W. Arroyo St R
Street Address or P.O. Box
Reno NV 89509
City, State, Zip Code

Phone Number: 702-496-7561

Email address: Stacey@lyferrecovery.com

SIGNATURE:

Stacey Payne

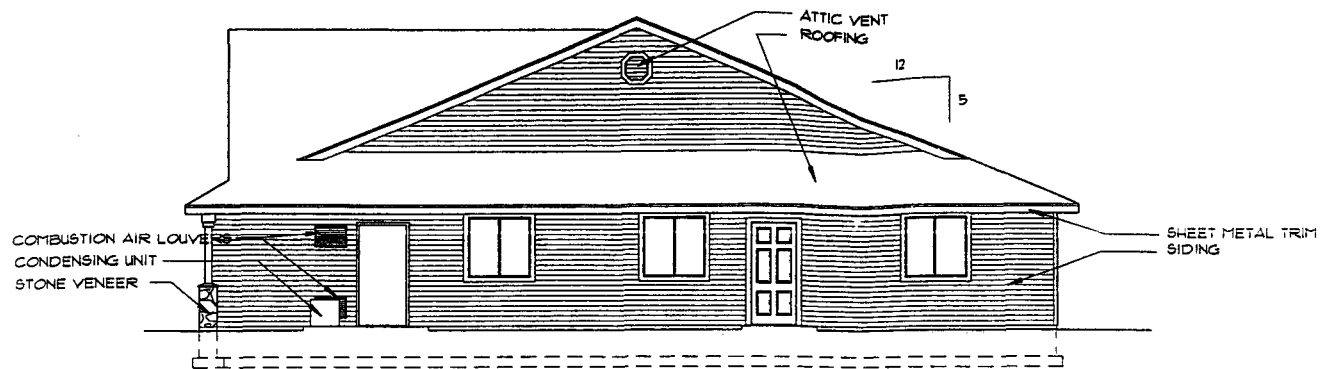
FOR OFFICE USE ONLY

File No.: 6-17 **Date Filed:** 11/13/17 **Fee Paid:** \$750 **CK#** 1008

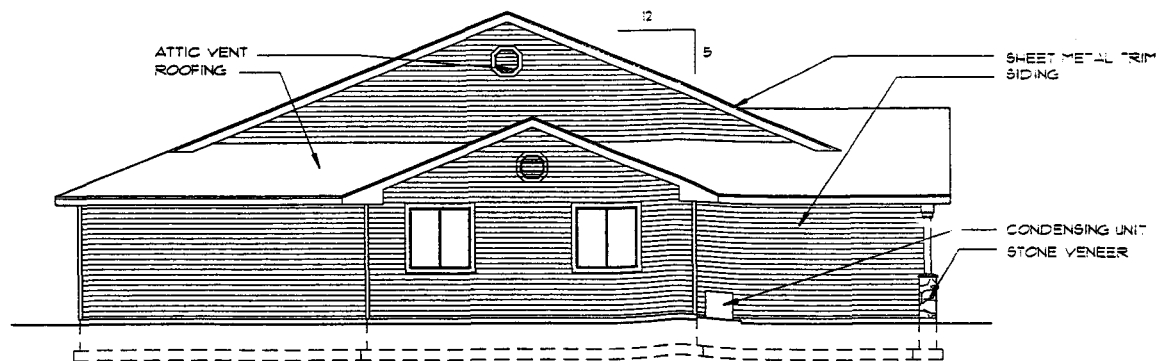
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NOV 13 2017

Initial: _____




SIDE ELEVATION C1
1/8" = 1' - 0"



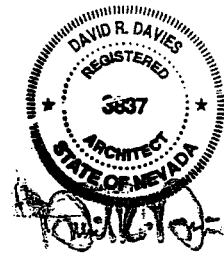
SIDE ELEVATION A1
1/8" = 1' - 0"



	MEDICAL DESIGN GROUP	
	2716 WESTLAND PLACE BOISE, IDAHO 83704 PH. (208) 378-0817 © COPYRIGHT MEDICAL DESIGN GROUP	
	EXTERIOR ELEVATIONS	
	Beehive Homes, Inc. Winchester Drive Elko, Nevada	SHEET 4.10
August 1998 © 2008/2009/2010/2011/2012/2013		

NOV 13 2017

Initial:



2716 WESTLAND PLACE
BOISE, IDAHO 83704
PH. (208) 378-0817
© COPYRIGHT MEDICAL DESIGN GROUP

Beehive Homes, Inc.
Winchester Drive
Elko, Nevada

SHEET

4.00 |

August 1958 0:10:00/0000/0000/0000 00/17/00 00 20

REAR ELEVATION $1/8" = 1' - 0"$ C1

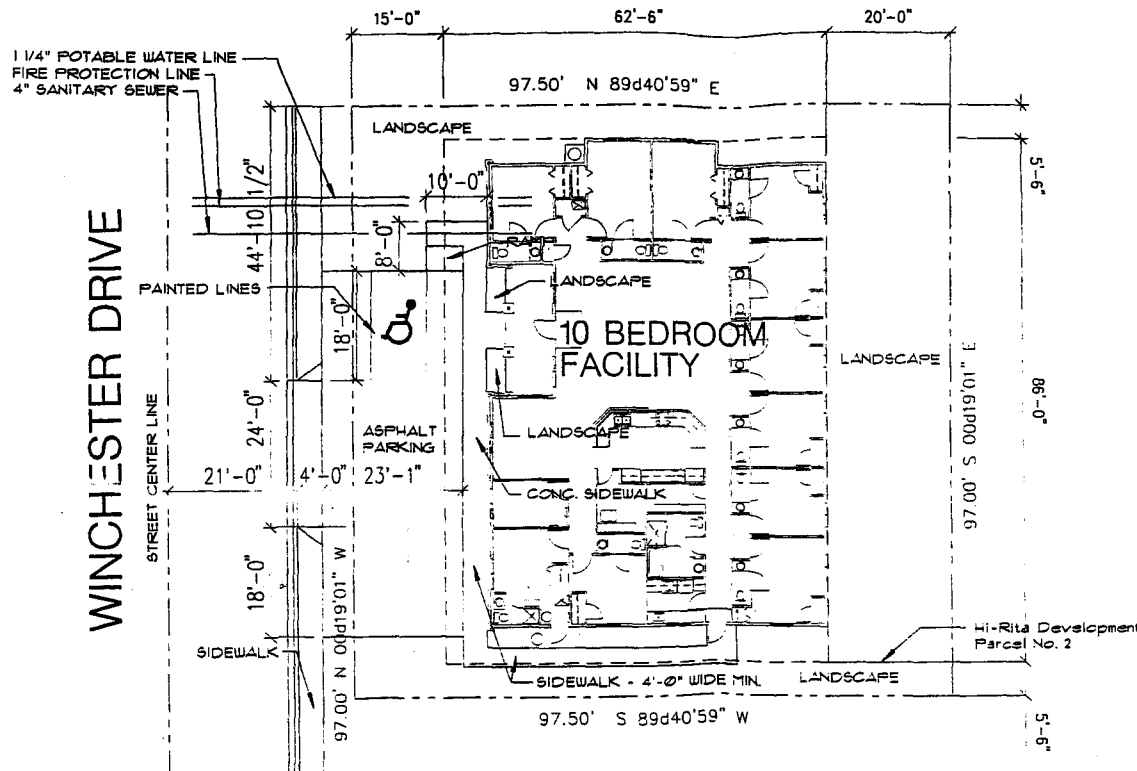
FRONT ELEVATION $\frac{1}{8}'' = 1' - 0''$ A1



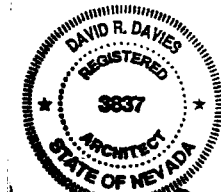
RECEIVED

NOV 13 2017

Initial: _____



A1 PROPOSED SITE LAYOUT PLAN
1" = 20'



David R. Davies

	MEDICAL DESIGN GROUP 2718 WESTLAND PLACE BOISE, IDAHO 83704 PH. (208) 378-0817 © COPYRIGHT MEDICAL DESIGN GROUP	
	SITE LAYOUT PLAN Beehive Homes, Inc. Winchester Drive Elko, Nevada	SHEET 2.20 <small>August 1, 2016 12:00 PM</small>

**Elko City Council
Agenda Action Sheet**

1. Title: **Review and consideration of the Business Impact Statement for Zoning Application Fee increases, and matters related thereto. FOR POSSIBLE ACTION**
2. Meeting Date: **January 9, 2018**
3. Agenda Category: **PUBLIC HEARING**
4. Time Required: **10 Minutes**
5. Background Information: **Pursuant to NRS 237.090, a Business Impact Statement must be prepared and considered by the City Council prior to the adoption of a resolution increasing Zoning Application Fees. SO**
6. Budget Information:
 Appropriation Required: **N/A**
 Budget amount available: **N/A**
 Fund name: **N/A**
7. Business Impact Statement: **Required**
8. Supplemental Agenda Information: **Copy of the Business Impact Statement**
9. Recommended Motion: **Pleasure of the Council**
10. Prepared By: **Shanell Owen, City Clerk**
11. Committee/Other Agency Review: **N/A**
12. Council Action:
13. Agenda Distribution:

**City of Elko
Business Impact Statement**

The following Business Impact Statement was prepared pursuant to NRS 237.090 to address the proposed impact of Resolution #33-17, a resolution amending zoning application fees associated with Title 3 of the Elko City Code entitled Zoning Regulations pursuant to Elko City Code Title 3, Chapter 2, Section 21.

- 1. The following constitutes a description of the manner in which comment was solicited from affected businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.**

A. Notice

- The Rule Notification and draft Resolution #33-17 was mailed to all contractors, engineers, architects and developers with an active City of Elko business license = 415 businesses were notified (attached).
- Interested persons could submit comments on or before December 1, 2017:
- The Rule Notification and draft Resolution #33-17 was published in the Elko Daily Free Press on November 3, 2017
- The Rule Notification and draft Resolution #33-17 was posted on the City website on November 3, 2017.

B. Summary of Comments

There were no comments received from the notices that were sent or posted.

C. Copy of Summary

There were no comments to summarize.

- 2. The estimated economic effect of the proposed rule on businesses, including, without limitation, both adverse and beneficial effects, and both direct and indirect effects:**

Adverse effects:

Adverse effects will be that the citizens/businesses will pay an increase in fees for zoning applications as proposed on draft Resolution #33-19 (attached).

Beneficial effects:

Beneficial effects include that the increase in fees will assist in the recovery of providing services to the public. It is estimated that this increase (based on 2016 application fees received) will add an additional \$6,125 dollars per year to pay for the costs of processing zoning applications, conducting related reviews, mailings and publication costs.

Direct effects:

The passing of this measure will directly increase the fees paid for various zoning applications and will result in additional money for zoning application processing.

**City of Elko
Business Impact Statement (Continued)**

Indirect effects:

The passing of this measure may have indirect effects, however at this time, those effects cannot be quantified.

- 3. The following constitutes a description of the methods that the local government considered to reduce the impact of the proposed rule on businesses and a statement regarding whether any, and if so which, of these methods were used:**

The local government and City Council approaches fee increases conservatively. Zoning application fees have not been increased since July 24, 2012. The proposed fees are lower to middle range relative to what other similar sized communities charge. After receiving no responses to the notices and no public comment during the public hearing for the proposed rule notification, the City Council determined that there would be no direct and significant burden upon a business and that the proposed rule would not directly restrict the formation, operation, or expansion of a business.

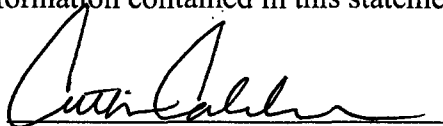
- 4. The governing body estimates the annual cost to the local government for enforcement of the proposed rule is \$0.00.**
- 5. The proposed rule provides for an increase in an existing fee and the total annual amount expected to be collected is \$28,100 (based on 2016 application fees collected).**
- 6. The money generated by the increase in existing fees will be used by the City of Elko to help offset the costs of processing zoning applications, conducting related reviews, mailings and publication costs.**
- 7. The proposed rule includes provisions, which duplicate or are more stringent than federal, state or local standards regulating the same activity. The following explains why such duplicative or more stringent provisions are necessary.**

The proposed change is not duplicative or more stringent than existing local, state or federal standards regulating the same activity.

Certification by City Manager

I, Curtis Calder, City Manager of the City of Elko, certify to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on businesses and the information contained in this statement was prepared properly and accurately.

Signature



Date:

12/19/17

Upon introduction and motion by _____ and seconded by _____, the following Resolution and Order was duly passed and adopted:

**CITY OF ELKO
RESOLUTION NO. 33-17**

**A RESOLUTION AMENDING THE ZONING APPLICATION FEES ASSOCIATED
WITH TITLE 3 OF THE ELKO CITY CODE ENTITLED ZONING REGULATIONS
PURSUANT TO ELKO CITY CODE TITLE 3, CHAPTER 2, SECTION 21**

WHEREAS, pursuant to Elko City Code Title 3, Chapter 2, Section 21, the City Council of the City of Elko may, by resolution, amend the rates for zoning fee charges; and

WHEREAS, the City Council of the City of Elko has identified the need to increase certain rates in order to better recover costs associated with providing services to the public; and

WHEREAS, the costs of publication as well as postage have increased.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF ELKO that the Zoning Application Fee Schedule for the City of Elko be amended as follows:

ZONING APPLICATION FEES:

Until further resolution of the City Council the Zoning Application Fees associated with Title 3 of the Elko City Code entitled Zoning Regulations, effective upon adoption, shall be as follows:

	<u>Current Charge</u>	<u>Proposed Charge</u>
Annexation of property into the City limits		
10 acres or less	\$500	\$750
Between 10 acres and 50 acres	\$750	\$1,000
Over 50 acres	\$1,250	\$1,500
Appeal	50% of Original Fee	50% of Original Fee
Boundary Line Adjustment	\$0	\$200
Conditional Use Permit	\$750	\$750
Curb, Gutter and Sidewalk Waiver	\$50	\$250
Detachment of Territory from the City of Elko		
10 acres or less	\$500	\$750
Between 10 acres and 50 acres	\$750	\$1,000
Over 50 acres	\$1,250	\$1,500
Final Plat	\$600 + \$25 per lot	\$750 plus \$25 per lot
Home Occupation Permit	\$25	\$50
Lease (Plus cost of negotiating lease if applicable)	\$200	\$200
License Agreement for Right to occupy right-of-way		
Planning Commission & City Council approval	\$400	\$400
Administrative Approval	\$200	\$200
Addendum to Agreement	No fee	No fee

Parcel Map		
Administrative approval	\$200 + \$25 per lot	\$200 plus \$25 per lot
Planning Commission & City Council approval	\$300 + \$25 per lot	\$400 plus \$25 per lot
Parking Waivers	\$25	\$50
Preliminary Plat	\$600 + \$25 per lot	\$750 plus \$25 per lot
Reversion to Acreage	\$300	\$300
Site Plan Review	\$200	\$200
Temporary Use Permit	\$200	\$300
Vacation of City Property		
(Plus cost of land if applicable)	\$600	\$600
Variances	\$100	\$500
Associated with a zoning amendment		\$250
Zoning Amendment	\$300	\$500

IT IS FURTHER RESOLVED, that upon adoption of this Resolution by the City Council, it shall be signed by the Mayor and attested to by the City Clerk and shall be in full force and effect upon adoption.

PASSED AND ADOPTED this ____ day of _____, 2018.

CITY OF ELKO

CHRIS JOHNSON
Mayor

ATTEST:

SHANELL OWEN, MMC
City Clerk