

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

SS July 14, 2015

The City Council of the City of Elko, State of Nevada met for a regular meeting beginning at 4:00 p.m., Tuesday, July 14, 2015.

This meeting was called to order by Mayor Chris Johnson.

NOTE: The order of the Agenda has been changed to reflect the order business was conducted.

Mayor Present: Chris J. Johnson

Council Present: Councilwoman Mandy Simons
Councilman Robert Schmidlein
Councilman Reece Keener

Council Absent: Councilman John Rice

City Staff Present: Scott Wilkinson, Assistant City Manager
Ryan Limberg, Utilities Director
Shanell Owen, City Clerk
Dawn Stout, Administrative Services Director
Dennis Strickland, Public Works Director
Ben Mangeng, Information Systems Manager
Fritz Sawyer, WRF Superintendent
Aubree Anderson, Human Resources Manager
Mark Gibbs, Airport Director
Jeremy Draper, Development Manager
Matt Griego, Fire Chief
Rich Genseal, Police Lieutenant
Rick Magness, City Planner
Ted Schnoor, Building Official
Jonnye Jund, Accounting Manager
Bob Thibault, Civil Engineer
Dave Stanton, City Attorney
Diann Byington, Recording Secretary

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**

Elaine Bassier, Elko Daily Free Press, announced that she will be moving to Spokane, Washington and another reporter will be taking over for her. This will be her last meeting.

APPROVAL OF MINUTES: June 23, 2015 **Regular Session**

The minutes were approved by general consent.

IV. NEW BUSINESS

- C. Review, consideration, and possible approval for a new Signatory Airline Operating Agreement between the City of Elko and SkyWest Airlines. **FOR POSSIBLE ACTION**

The Signatory Airline Operating Agreement between SkyWest Airlines and the City of Elko expired on August 31, 2006. Since that time, the airline has been operating on a month-to-month basis. A new airline operating agreement has been negotiated between the City of Elko and SkyWest Airlines based upon a compensatory airport revenue model as allowed by the Federal Aviation Administration. The new terms of the agreement will allow a one month waiver of terminal rents and landing fees when airport initiated capital construction suspends commercial airline service. This additional clause was negotiated between the Airline and the City to take effect for the upcoming FAA AIP Project Runway 5/23 Rehabilitation-Phase 3 later this summer. Based upon the conditions of the agreement, each May, Council will have a chance to adopt SkyWest Airline's Terminal Rents and Landing Fees at Elko Regional Airport for the upcoming City Fiscal Year. MG

Mark Gibbs, Airport Director, introduced Mike Ostler from SkyWest. The rents will stay similar as last year but over the term there will be two increases.

Mike Ostler, Manager of Network Planning with SkyWest Airlines, thanked the community for their support over the years. SkyWest Airlines is excited about the jets. It is nice to have them in here. He is excited that he got to see Elko today. Today changed him. He met some people and felt a very warm welcome from the residents. This is a great community.

Mayor Johnson thanked him for being here.

**** A motion was made by Councilwoman Simons, seconded by Councilman Keener, to approve the new Signatory Airline Operating Agreement and Terminal Building Lease with SkyWest Airlines.**

The motion passed unanimously. (4-0)

V. RESOLUTIONS AND ORDINANCES

- A. Review, consideration, and possible approval of Resolution No. 19-15, a resolution of intent, proposing the issuance of, and authorizing the publication of notices relating to General Obligation (Limited Tax) Recreational Bonds (Additionally Secured by Pledged Revenues) for the purpose of financing and refinancing the cost of acquiring, constructing, improving and equipping recreational projects; providing the manner, form and contents of the notices thereof; providing other matters properly related thereto; and providing the effective date hereof, and matters related thereto. **FOR POSSIBLE ACTION**

The Debt Management Commission, will meet on July 14, 2015, approved a Resolution authorizing the City of Elko to proceed with the issuance of the City's General Obligation (Limited Tax) Recreational Facilities Bonds (Additionally Secured by Pledged Revenues) in the maximum amount of \$8,000,000. If approved, this resolution is the next step in the bonding process and authorizes the City to make the proper publications in the local paper. DS

Dawn Stout, Administrative Services Director, said the Debt Management Commission met this morning and they unanimously approved our resolution to go forward with the financing.

Councilwoman Simons asked if it specified an amount.

Ms. Stout answered a maximum of up to \$8 million. We can go lower but the maximum is \$8 million.

**** A motion was made by Councilman Schmidlein, seconded by Councilman Keener, to approve Resolution No. 19-15, a resolution of intent proposing the issuance of and authorizing the publication of notices relating to General Obligation Limited Tax Recreational Facilities Bonds additionally secured by pledged revenues for the purpose of financing the cost of acquiring, constructing, improving and equipping recreational projects providing the matter, form and contents of the notices thereof, providing other matters properly related thereto and providing the effective date hereof.**

The motion passed unanimously. (4-0)

III. APPROPRIATIONS

- M. Review, consideration, and possible approval of an engagement letter with the Zion's Public Finance to serve as financial advisor for the proposed \$8,000,000 General Obligation (Limited Tax) Recreational Facilities and Refunding Bonds

the City of Elko intends to issue for the construction of the recreational facilities, and matters related thereto. **FOR POSSIBLE ACTION**

The City is required to retain a financial advisor for the bonding and/or financing process. Enclosed in the agenda packet is an engagement letter from Zion's Public Finance for the required services. Expected costs associated with retaining a financial advisor, range from \$45,000 and do not include out-of-pocket expenses such as travel, overnight mail charges and printing. DS

Ms. Stout advised that Andrew Artusa from Zion's Public Finance was present to answer any questions.

Councilman Schmidlein asked when would the bonds be put in place.

Ms. Stout answered they anticipate issuing sometime in November.

Andy Artusa, Zion's Public Finance, added after today there is a 90 day petition period that the city would have to wait. After that they will bring the bond ordinance back to council for reading. They anticipate selling the bonds in October and closing in November.

Councilman Schmidlein asked what is the time period that we have to move forward with the projects.

Mr. Artusa answered once you issue the bonds, the IRS expects you to spend the money within three years.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to approve the Zion's Public Finance as Financial Advisor for the proposed financing of recreational facilities.**

The motion passed unanimously. (4-0)

- P. Review, consideration, and possible approval of an engagement letter with the Law Firm of Sherman and Howard, LLC to serve as bond counsel for the proposed \$8,000,000 General Obligation (Limited Tax) Recreational Facilities and Refunding Bonds the City of Elko intends to issue for the construction of recreational facilities, and matters related thereto. **FOR POSSIBLE ACTION**

The City is required to retain bond counsel for the bonding and/or financing process. Enclosed in the agenda packet is an engagement letter from Sherman and Howard, LLC for the required services. Expected costs associated with retaining bond counsel range from \$20,000 to \$30,000 and do not include the required financial services expertise associated with the bond issue. DS

Ms. Stout explained Kendra Follett from Sherman and Howard, LLC was present to answer questions.

**** A motion was made by Councilman Schmidlein, seconded by Councilwoman Simons, to approve Sherman and Howard, LLC as bond counsel for the proposed financing of recreational facilities.**

The motion passed unanimously. (4-0)

I. PRESENTATIONS

- A. A Presentation by County Commissioner Delmo Andreozzi regarding Elko County Road Funds and Fire District Analysis. **INFORMATIONAL ITEM ONLY—NO ACTION WILL BE TAKEN**

Delmo Andreozzi, County Commissioner, said he wanted to let the city know a little bit about what the county is considering. Funds have been dwindling while expenses have been going up. The county used to pay \$2 million a year for fire service and with us taking the All Risk Fire that has become about \$3 million a year. We also pay about \$400,000 a year to the State of Nevada. We are very vulnerable to fire because we are a big county with a lot of wild land. NRS 377B allows counties to add a ¼ % sales tax for infrastructure. This would generate about \$3.5 million annually. We would want to spend \$2 million on the county roads and \$1.5 million for the Fire District. It is a 15 year plan as outlined in the agenda packet. We are currently at 6.85 % sales tax in Elko County. We are one of four in the entire state with the lowest sales tax. We have looked at other options but they are not as reliable as sales tax. Out of the 17 counties in the State of Nevada, there are ten of them that have enacted this tax. We are one of seven that hasn't. It is not our preference to raise taxes. If we go through with this ordinance we would have to have public hearings.

Mayor Johnson asked if you went down the route of establishing a Fire District, are you limited on the assessed valuation of property taxes.

Mr. Andreozzi answered yes. The tax cap and the abatement really make that non-feasible.

Cliff Eklund, County Commissioner, said we felt that a broad base tax was fairer. About 40% of all sales tax that comes into Elko County comes from tourism. Cash Minor gave some figures about how it would affect different incomes. A \$30,000 a year income would be impacted \$75 a year.

Mr. Andreozzi said presentations have been made to various industry stakeholders. The feedback received is in favor of a broad base tax that would affect everybody and not a specific industry.

Mr. Eklund said there have been some concerns from citizens. If we raise this tax it may have an impact of where people buy their goods. They may go to another county to buy their goods. Even with this increase our sales tax will still be in the bottom 50% of tax rates within the state.

Mr. Andreozzi said we all enjoy county roads that get minimal treatment, if any. Anything that can be done to improve the roads will benefit all of us. On the fire side, the apparatus and the buildings they are housed in are aged.

Councilman Schmidlein agreed that all the residents utilize the county roads. His problem is that the residents of Elko already pay for Fire Support. It is his understanding that this is a one-time fee increase and you can only do this once for these two particular items.

Mr. Andreozzi said that is correct. If this is enacted it could be changed but it would require a super majority of the County Commission to change it. This is just for this 15 year cycle.

Councilman Schmidlein noted that most residents of Elko pay 20% more taxes than the county residents. This is a "Catch 22" because everyone uses county roads.

Mr. Andreozzi had that same thought. It would seem that the Ad Valorem would be the best way to fund the Fire District but that cap makes it less feasible. This is one of those things we will have to work together on. If he could think of a better way to propose that he would.

Councilman Keener agreed with Councilman Schmidlein. It feels as if the county is asking the City residents that already pay a larger tax to pay again to subsidize the county.

Mr. Eklund said the county roads are funded with the fuel tax. The tax has not been able to keep up with the road maintenance. Vehicles are getting better gas mileage and buying less gas. As a consequence, the gas tax dollars have been going down with expenses going up. If we don't generate another form of revenue we need to reduce or eliminate maintenance on county roads. If someone can come up with another way to fund this we would want to hear it.

Councilwoman Simons felt when we go to the county for partnerships, we are told no. Maybe if the county participated more with us then it would help soften the blow in a situation like this. There can be more give and take.

Councilman Schmidlein said all states are experiencing this problem. All states will be looking into this in the future.

Mr. Andreozzi said that is correct. Some counties have added some sort of indexing to the gas tax.

- B. Reading of a Proclamation by the Mayor recognizing Sunday, July 26, 2015 as Parents Day. **INFORMATIONAL ITEM ONLY – NO ACTION WILL BE TAKEN**

Mayor Johnson read the proclamation.

III. APPROPRIATIONS (Cont.)

- B. Review, consideration, and possible authorization for the WRF 10-Year Master Plan Update with Aqua Engineering, and matters related thereto. **FOR POSSIBLE ACTION**

The current WRF Master Plan is outdated and requires updating. This document is required by NDEP. The Master Plan was approved in the FY 2015/2016 Budget. FPS

Fritz Sawyer, WRF Superintendent, said with the completion of the plant expansion last year, the Master Plan has expired and they would like to proceed with another one.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to approve the 10-year Master Plan Professional Services Agreement with Aqua Engineering not to exceed \$95,000 as required by Nevada Department of Environmental Protection.**

The motion passed unanimously. (4-0)

- C. Review, consideration, and possible authorization for Staff to award the WRF South Reservoir Liner Repair Project, and matters related thereto. **FOR POSSIBLE ACTION**

Council approved soliciting bids for this project on June 9, 2015. Bid tabulations will be handed out during the Council meeting with Staff recommendations. The Liner Repair Project was approved in the FY 2015/2016 Budget. FPS

Mr. Sawyer explained the bids were opened and they received two bids. One bid was deemed non-responsive. The other one was in excess of \$200,000 over our budget. He recommended rejecting bids and rebidding in March.

Councilman Schmidlein disclosed that Great Basin Engineering owners are partners of his but he didn't feel this has any pecuniary interest for him especially since they are going to reject all bids.

**** A motion was made by Councilwoman Simons, seconded by Councilman Keener, to reject all bids in the South Reservoir Liner Repair project and direct staff to re-solicit bids next March.**

The motion passed unanimously. (4-0)

- I. Review, consideration, and possible approval to direct Staff to draft a Resolution to donate the old street patch machine to the City of Carlin, and matters related thereto. **FOR POSSIBLE ACTION**

The City of Elko recently purchased a new patch machine to be used with our hook-lift system. The old patch machine was acquired in 1994. If the City is willing to donate the machine the City of Carlin has expressed an interest in taking ownership of the machine. DS

Dennis Strickland, Public Works Director, explained the city didn't actually pony up the money for the original machine. Some mines got together and provided that for the City of Elko's behalf. Carlin would like to have the machine donated to them since the city has a new machine.

Dave Stanton added by NRS the city needs to determine that the machine has reached the end of its useful life.

**** A motion was made by Councilwoman Simons, seconded by Councilman Keener, to direct staff to draft a resolution donating the old street patch machine to the City of Carlin and to formally make the determination that this machine has reached the end of its life.**

The motion passed unanimously. (4-0)

- O. Review, consideration, and possible approval of a request from the Elko Chamber of Commerce for a \$5,000 donation towards the purchase and installation of new community entry signs, and matters related thereto. **FOR POSSIBLE ACTION**

The Elko Chamber of Commerce is coordinating the production and installation of two (2) new community entry signs, valued at \$30,000. The City is being requested to donate a total of \$5,000. A copy of the proposed design has been included in the agenda packet for review. The Council tabled this item at its meeting on June 23, 2015. SAW

Scott Wilkinson, Assistant City Manager, informed the council that a similar request was presented to the county and that was tabled until the city makes their decision.

Robert Linhart, 3700 Sundance Drive, said this committee started in April 2013. This is a Community Committee and not a Chamber Committee. They did a sign contest and picked the winner. There had been some discussion about the design and they made some adjustments accordingly.

Sharon Horn, 604 Wescott Drive, said you may recall there were some old signs that were there before the reconstruction. They wanted to design something that kept with the city and go along with the work the State was doing and welcome visitors to the area.

Councilman Keener attended the meeting and went over some of the concerns the city had. He apologized to the sign committee because they felt they had all their bases covered. Mr. Andreozzi had been involved in this process from the beginning but we lost the continuity there when he retired. He is satisfied with what is happening with this.

**** A motion was made by Councilman Keener, seconded by Councilman Schmidlein, to approve the \$5,000 donation to the Elko Chamber of Commerce for the two new community entry signs.**

The motion passed unanimously. (4-0)

VI. PETITIONS, APPEALS, AND COMMUNICATIONS

- A. Review, consideration, and possible approval of a petition from the Rural America Pride Corporation to display the LGBT Rainbow Flag underneath the

United States Flag and Nevada State Flag at city hall, and matters related thereto.
FOR POSSIBLE ACTION

The City of Elko does not have a policy with regard to display of flags on City property. Rural America Pride Corporation has requested the LGBT Rainbow Flag be displayed at the City Hall. The flag would be displayed underneath the United States Flag and Nevada State Flag for a period of one day on each occasion. Rural America Pride Corporation is requesting approval to display in the near future for one day and is requesting approval to display the flag annually on the 26th of June. SAW

Mr. Wilkinson clarified that we are flying the American flag and the City of Elko flag. We have a request to fly a personal flag. Mr. Stanton will provide council with some information regarding the possibility of flying other flags. He is not aware of us flying other flags other than governmental flags on that standard. We did have a prior request that the POW/MIA asked to fly their flag and they were denied that. They flew their flag in the park instead.

Dave Stanton, City Attorney, said just because property is owned by a public entity doesn't mean that citizens are automatically entitled to express free speech rights on that property. You have public forums and non-public forums. Both of which are publicly owned property. Traditional public forums are sidewalks, city parks and these places. These are public places where traditionally people express their views. In those areas people are entitled to express free speech subject to reasonable time, place and manner restrictions. When you get into other category of non-public forums it doesn't work the same way. City flag standards are not traditional public forums. You can display governmental flags there but if you allow a private group/organization to express some sort of free speech expression using that forum that converts it into a public forum. In this case, this flag signifies some expression of content. If it is allowed to be displayed on the city flag standard then other groups would be allowed to do that too. Council would not be able to make a distinction between groups. If you allow one you have to allow all. Council would be acting within rights to close that off to free speech and private expression. It is within council's authority to deny this.

Councilman Keener said for many people this is emotionally charged. We are not going into the moral aspects of this. We will be focused on and discussing private flags being flown over city hall.

Kitty Tyler, 500 Osino Unit 8, felt the only flags that need to be flown are the American Flag and the Nevada State flag. No one needs to fly any other flags. If they chose to fly other flags then they need to go to the park.

Janine Hanson, State President of Nevada Families for Freedom, 186 Ryndon Unit 12, was opposed to opening this up to the public to fly any flag that they want. The U.S., State and Elko flags are appropriate. We don't know what other requests would come in the future that could offend many and violate the standard that we have set. We all come together with the American Flag, State of Nevada Flag and City of Elko Flag. She is opposed to opening this up as a public

forum. We don't want to show favoritism. We should maintain this as it is now and allow them to have their free speech in the park or somewhere else where it would be appropriate.

John Ellison, State Legislature, agreed with Ms. Hanson. He felt there are only a few flags that are appropriate to be flown, the United States Flag, the Nevada Flag, the City Flag, and at times the MIA/POW flag too. We are going to open Pandora's Box. If we do this and allow other people to come in and express their feelings and deny others the city would be open to litigation.

Rick Woodard said he was asked to be here to represent Victory Community Church. They have about 68 members. He was asked to come and oppose this. He is in agreement with what has already been said. Our whole membership is opposed to this.

Greg Reeder, 3029 Hailey Court, has served the community for many years. Mayor Johnson was in his class. He taught American History and served in Vietnam. He is opposed. He has brothers on the wall and he doesn't think they would like this proposal. Everyone has a right to freedom of speech and expression but there is a proper place and a proper time. It is not at City Hall. The U.S. Flag flying here represents all of us.

Steve Christean, 477 Ash Street, explained he grew up here and has several family members that were in the military but he didn't know if they would agree or not agree because they are not here anymore. He handed out a letter (Exhibit "A") and read it. The Rainbow Flag is not just about LGBT. It is about peace throughout the entire world and has been recognized clear back to the days of Noah and the flooding. It is something that is very close to him because he has hid his entire life. Being up in front of Elko is not easy. He designed a flag that he felt would be a good representation of Elko (Exhibits "B" and "C").

Mike Hawkins felt they should not be allowed to have this flag in this community and we shouldn't allow opening Pandora's Box for any flags.

Pamela Woodard, 383 Thoroughbred Dr., was in opposition. The only place they need to fly this would be at the Peace Park.

Pastor John Sutherland, Calvary Chapel Spring Creek, 975 Alpine Dr., Spring Creek, went on record that he is opposed to this.

Mike Musgrove, 666 Thistle Lane, was opposed to flying the flag on the same standard as the United States Flag. The U.S. Flag should be displayed to the top of everything. If the city would like to have a standard that could fly the Peace Flag or any other flag there should be a separate standard that does not reach the height of the American Flag.

Chuck Galloway, 1300 Parkview Drive, does not support this request. The flags currently displayed represent the freedoms we enjoy in this country and in this community. These flags speak loudly and clearly that this is who we are. The LGBT flag does not represent who he is. In all fairness, no special interest groups should be represented on these grounds.

Gil Hernandez, 1316 7th St., was opposed to this. The LGBT people that came here to petition have that right. He is a Vietnam veteran and saw some of his brothers die. The American flag means more to him than any other flag. No other flag should fly underneath it.

John Norton, Spring Creek, spoke in opposition to the petition.

Bonnie Boyd, 849 Black Oak Dr., Spring Creek, was opposed to any other flag being flown in this location.

Steve Tannie, 678 West Silver, was in opposition.

Erica Johnson, 824 Thorpe Dr., Spring Creek, was opposed.

Kay Dawn Jenkins, Kittridge Canyon, was opposed.

Keith Aikenhead, 741 Juniper St., said he has been thinking about this all day. The American Flag represents and includes everyone and that is all that is necessary.

Rodger Pucket, 1155 Laurel Ct, Meridian, Idaho, was opposed to this whole situation.

Councilman Keener thought this was not a good idea. We have heard from many citizens. It is rare to hear from constituents on items on the agenda but he has heard plenty on this one.

Councilwoman Simons said she is thankful Mr. Christean brought this and the statistics to our attention. She agreed with what has been said. Maybe in the motion we can look at having a policy for these situations so it can be clear to everyone.

Mr. Stanton reviewed the agenda item and felt that they may be going beyond the scope of the agenda item to direct staff to create a policy.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to deny the application from Rural America Pride Corporation.**

The motion passed unanimously. (4-0)

III. APPROPRIATIONS (Cont.)

- L. Review, consideration, and possible approval to accept a \$50,000 grant from the Nevada Community Development Block Grant (CDBG) Program for the Senior Center Energy Efficiency Project, and matters related thereto. **FOR POSSIBLE ACTION**

In January of 2015, the Council approved sponsoring a CDBG grant for the Elko Senior Citizens Center for energy efficiency upgrades to the interior and exterior of the Center.

The project has been awarded in the amount of \$50,000. Upon acceptance of the grant, City Staff will draft an agreement between the City of Elko and the Senior Citizen's Center to be brought back for City Council approval. SO

Shanell Owen, City Clerk, said they were successful in obtaining the grant for the Senior Citizen project they submitted. The action tonight is to accept the grant. From here we will bring back an agreement between the City and the Senior Citizen's Center that outlines the duties and responsibilities and who will be doing what for the grant.

**** A motion was made by Councilman Schmidlein, seconded by Councilman Keener, to accept the \$50,000 grant award from CDBG.**

The motion passed unanimously. (4-0)

IV. NEW BUSINESS (Cont.)

- B. Review, consideration, and possible acceptance of a Deed of Dedication from Surbrec Holdings LLC for the dedication of approximately 2,500 lf of Ruby Vista right-of-way containing 4.305 Acres, and matters related thereto. **FOR POSSIBLE ACTION**

At the May 12, 2015 Council meeting, Annexation Application No. 1-15 was accepted and referred to the Planning Commission for review and consideration. Dedication of the Ruby Vista Right-of-Way was recommended as a condition of annexation by the Planning Commission. JD

Jeremy Draper, Development Manager, explained this is Ruby Vista right-of-way. This is a continuation of right-of-way that was dedicated to us not too long ago from NYTC Road back towards where Cashman is. They met with NDOT because there is a hillside. The right-of-way is up against NDOT right-of-way and in the future, when this is built we would like to get an easement for slope. The local NDOT office seemed to be in favor of it.

Luke Fitzgerald, 2400 Crestview Dr., offered to answer any questions.

**** A motion was made by Councilwoman Simons, seconded by Councilman Keener, to accept the Deed of Dedication for the Ruby Vista Right-of-Way.**

The motion passed unanimously. (4-0)

III. APPROPRIATIONS (Cont.)

- G. Review, consideration, and possible selection of an artist for the creation of the awards for the Mayor's Arts Awards, and matters related thereto. **FOR POSSIBLE ACTION**

At the July 1, 2015 Arts and Culture meeting the board made a recommendation for the selection of Simone Marie to create the awards to be given to recipients of the Mayor's Arts Awards. JD

Bailey Billington-Bensen, 2733 Shadow Ridge Dr., Vice Chair for the Arts and Culture Advisory Board, explained they put out a call to artists to submit their designs for an award to give to the nominated artists. The committee met and we had five people submit. The board chose one that represented what the board has accomplished.

Councilwoman Simons asked for an example.

Mr. Draper brought up a drawing representation on the overhead screen and explained that it is a mosaic tile plaque.

**** A motion was made by Councilwoman Simons, seconded by Councilman Schmidlein, to select Simone Marie to create the awards to be presented at this year's Mayor's Arts Awards.**

The motion passed unanimously. (4-0)

V. RESOLUTIONS AND ORDINANCES (Cont.)

- B. First Reading of Ordinance No. 795, an ordinance increasing the corporate limits of the City of Elko, Nevada, pursuant to the provisions of N.R.S. 268.670 annexing thereto a certain tract of land partially contiguous to and not embraced within the present limits of the City of Elko described as follows: a parcel of land located approximately 1,650 feet southwest of Idaho Street and Youth Center Road in Section 36, T. 35 N., R. 55 E., M.D.B. & M., Elko County, Nevada, consisting of 41.40 acres, more or less, filed by Surebrec Holdings LLC and processed as Annexation No. 1-15, and to direct Staff to set the matter for public hearing, second reading and possible adoption, and matters related thereto. **FOR POSSIBLE ACTION**

Council accepted the petition for the subject annexation on May 12, 2015 and directed Staff to continue with the annexation process by referring the matter to the Planning Commission. The Planning Commission considered the annexation on June 2, 2015 and took action to forward a recommendation of conditional approval with findings back to the Council. One of the conditions, dedication of Ruby Vista Drive right-of-way prior to Council consideration is now ready. RM

**** A motion was made by Councilman Schmidlein, seconded by Councilman Keener, to conduct First Reading of Ordinance No. 795 and direct staff to set the matter for Public Hearing, Second Reading and Possible Adoption.**

The motion passed unanimously. (4-0)

II. PERSONNEL

- A. Review, consideration, and possible adoption of Amended Vehicle Operators Drug and Alcohol Policy, and matters related thereto. **FOR POSSIBLE ACTION**

The Vehicle Operators Drug and Alcohol Policy in section 13.8.7.17. paragraph (2) contained an incomplete sentence. The policy has been amended to complete the sentence. AA

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to approve the Vehicle Operators Drug and Alcohol Policy effective July 14, 2015.**

The motion passed unanimously. (4-0)

III. APPROPRIATIONS (Cont.)

- A. Review and possible approval of Warrants. **FOR POSSIBLE ACTION**

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

The motion passed unanimously. (4-0)

- D. Review, consideration, and possible approval of an award of a contract to administer Engineering and Construction Management Services for AIP-45, Runway 5/23 Rehabilitation-Phase 3 to Jviation in the amount of \$754,977.00. **FOR POSSIBLE ACTION**

A Master Agreement for Continuing Professional Services between Elko Regional Airport and Jviation dated July 8, 2014, and accepted by Council, provides Jviation with a five year contract to provide the airport with engineering, planning and construction management services. The Airport Enterprise Fund is responsible for 6.25% of the \$745,977 service fee or \$46,623.57. An independent fee estimate for Jviation's work was completed by Rood & Associates and their estimate was within 10% of Jviation's estimate. Also included in the Scope of Services is a contract amendment that was awarded by Council and the Northeastern Nevada Regional Development Authority to pay \$9,000.00 to Jviation sub-consultant William E. Payne & Associates to provide specialized consulting services to develop a UAS Test Range at the Northeastern Nevada Railport Facility. MG

Mark Gibbs, Airport Director, explained this item has been before council before. He offered to answer any questions.

**** A motion was made by Councilwoman Simons, seconded by Councilman Schmidlein, to approve the award of a contract to administer engineering construction**

management services for AIP 45 Runway 5/23 Rehabilitation Phase 3 to Jviation in the amount of \$754,977.

The motion passed unanimously. (4-0)

- E. Review, consideration, and possible final acceptance of AIP 44: Runway 5/23 Lighting & Signage (Construction & Design); Rehabilitate Runway 5/23 (Design only) at the Elko Regional Airport, and matters related thereto. **FOR POSSIBLE ACTION**

The Final Punch List items for AIP Project 44 have been completed for this project to the satisfaction of Airport Management. A walk through inspection took place on December 30, 2014, and all punch list items were accepted on June 1, 2015. Staff is asking for final acceptance of this project. This project provided the engineering design services to support AIP 45: Rehabilitate Runway 5/23-Phase 3. In addition this project provided design and construction work completed by Titan Electrical Contracting Inc. to replace and isolate all airfield electrical signs on a dedicated signage circuit, moved Runway 5/23 hold position markings to meet FAA standards, and added airfield vehicle signage per FAA request. The final project cost was \$1,174,879. There was one change order associated with this project in the amount of \$9,730.60 and there is also an overage request for payment by the FAA in the amount of \$108,212.33 for design services that were not allocated during the FY 2014 grant cycle. The total local share for this project was \$73,429.90. MG

**** A motion was made by Councilwoman Simons, seconded by Councilman Schmidlein, to approve the final acceptance of AIP 44 Runway 5/23 Lighting and Signage Rehabilitate Runway 5/23 at the Elko Regional Airport in the amount of \$1,174,879.**

The motion passed unanimously. (4-0)

- F. Review, consideration, and possible ratification of the Elko Police Chief to apply for and accept a Nevada Public Agency Insurance Pool Risk Management mini grant in the amount of fifteen hundred dollars (\$1,500.00). The Nevada Public Agency Insurance Pool Mini Grant will be used to fund the Officer Safety Class, Below 100, and matters related thereto. **FOR POSSIBLE ACTION**

The Elko Police Department applied for a Nevada Public Agency Insurance Pool Mini Grant, valued at fifteen hundred dollars (\$1,500.00). This grant will be used to fund the Officer Safety Class, Below 100 being offered to the Elko Police Department, Elko County Sheriff's Department, Nevada Department of Public Safety, and several neighboring counties.

The Elko Police Department, with the assistance of Great Basin College, is offering the Below 100 Class, through video conferencing, to four (4) of the GBC campuses, including Elko, Pahrump, Ely, and Wendover. BR

Rich Genseal, Police Lieutenant, explained this class was already put on. It was designed to reduce the number of officers' deaths. The emphasis is to have the officers wear their vests, wear their seatbelts and slow down their response to calls. This class was held in June and went over really well.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to ratify the Police Chief's application and acceptance of a Nevada Public Agency Insurance Pool Risk Management Mini Grant in the amount of \$1,500.**

The motion passed unanimously. (4-0)

BREAK

- N. Review, consideration, and possible final acceptance of the Silver Street CDBG Project, and matters related thereto. **FOR POSSIBLE ACTION**

At the February 24, 2015 meeting, Council awarded the bid for the Silver Street CDBG Project to Remington Construction in the amount of \$365,062.00. The project has been completed in conformance with the plans and specifications. There were no change orders on the project, and the project came in 3.8% under budget for a final price of \$350,552.00. Remington Construction has successfully completed the project at this time. DS

Dennis Strickland, Public Works Director, reminded council of the history of this project and recommended final acceptance.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to approve the final acceptance of the Silver Street Community Development Block Grant Project.**

The motion passed unanimously. (4-0)

IV. NEW BUSINESS (Cont.)

- A. Lamar Advertising requests temporary relief from collecting terminal advertising fees for the period of August 19-September 27, 2015, and matters related thereto. **FOR POSSIBLE ACTION**

Elko Regional Airport will be closing the primary commercial service runway from August 18-September 28, 2015 for major reconstruction. This construction will preclude commercial air service from servicing the Elko market during the closure period. Lamar respectfully requests relief from charging advertising fees to their customers during the closure period. There is no language in the Lamar Agreement that addresses the suspension of commercial airline service. They estimate that this will have a financial impact of \$3,000 in earnings for the Airport Enterprise Fund during the entire 6 week suspension of airline service. The airport receives 30% commission on advertising sales inside the terminal building. MG

Mr. Gibbs explained Lamar is in a revenue sharing agreement with the City to advertise. It is their policy that when an airport or a transportation agency does not provide transportation for advertising that they do not bill their advertisers for the fees. They asked him to consider waiving since they are not going to be able to charge their customers.

Councilwoman Simons felt we have discussed this with SkyWest. We didn't want to give them a waiver because then we knew everyone else would want one too. We need to be fair across the board.

Mr. Gibbs said this is not an agreement where they guarantee us revenue. This is revenue sharing. If the advertiser doesn't charge their customers then in the agreement we cannot force them to pay us anything.

Mayor Johnson asked if the agreement wouldn't do that all by itself.

Dawn Stout, Administrative Services Director, answered it is revenue sharing so absolutely. If they don't collect the revenue they are not obligated to pay us.

Mayor Johnson agreed with Councilwoman Simons but it seems that the agreement spells it out. The agreement is written such that there is no revenue to share so we are merely following the agreement.

Scott Wilkinson, Assistant City Manager, asked if there would be no action. Does the agreement require them to collect fees because they are asking for relief from collecting those fees if they are not required to collect them?

Mr. Gibbs answered if their agreements don't require them to collect them then they don't have that obligation to share them with us. They requested him to bring this to council.

Ms. Stout said the way it is written they are asking that they not charge their customers. They charge their customers on a monthly basis and there is no difference between air service or non-air service.

Mr. Gibbs stated that our agreement with Lamar has no written text on what happens if we suspend service. He does not know what is in the agreement with Lamar and their advertisers.

There was some discussion regarding what was really being requested.

Mr. Wilkinson suggested tabling this until the next meeting so we can review the language in the agreement.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to table this item.**

The motion passed unanimously. (4-0)

V. RESOLUTIONS AND ORDINANCES (Cont.)

- C. First Reading of Ordinance No. 796, an ordinance increasing the corporate limits of the City of Elko, Nevada, pursuant to the provisions of N.R.S. 268.670 annexing thereto a certain tract of land partially contiguous to and not embraced within the present limits of the City of Elko described as follows: a parcel of land located generally on the west side of Sagecrest Drive approximately 665 feet north of Mountain City Highway in Section 8, T. 34 N., R. 55 E., M.D.B. & M., Elko County, Nevada, consisting of 3.00 acres, more or less, filed by Bailey & Associates LLC and processed as Annexation No. 2-15, and to direct Staff to set the matter for public hearing, second reading and possible adoption, and matters related thereto. **FOR POSSIBLE ACTION**

Council accepted the petition for the subject annexation on May 12, 2015 and directed Staff to continue with the annexation process by referring the matter to the Planning Commission. The Planning Commission tabled the request during its June 2, 2015 meeting since the applicant was unable to attend the meeting. It then considered the annexation on July 7, 2015 and took action to forward a recommendation of approval with findings back to the Council. RM

Jeremy Draper, Development Manager, explained this is a parcel of land that Mr. Bailey is asking for annexation into the City of Elko. It is adjacent to Autumn Colors and would require the extension of Sage Crest Drive to the end of the property, as well as, utilities at the time of construction.

**** A motion was made by Councilman Keener, seconded by Councilwoman Simons, to conduct the First Reading of Ordinance No. 796 and direct staff to set the matter for Public Hearing, Second Reading and Possible Adoption.**

The motion passed. (3-0 Councilman Schmidlein was absent)

III. APPROPRIATIONS (Cont.)

- H. Review, consideration, and possible authorization for a modification in the Scope of Work for the Elko Sports Complex consultants to address comments from the US Army Corps of Engineers, and matters related thereto. **FOR POSSIBLE ACTION**

During an initial review of our application to the US Army Corps of Engineers for the construction of the Elko Sports Complex some historical elements were identified in the area, we now need to develop a MOA with NV SHPO and provide a Historic Properties Treatment Plan or Mitigation Plan. JD

Mr. Draper explained this is the area of the Sports Complex. During the study of that area they found some old concrete remains and a couple of bathtubs. We need to look at that for historical preservation. This is a change of scope with our consultant.

**** A motion was made by Councilwoman Simons, seconded by Councilman Keener, to authorize staff to amend the scope of work with MGB+A to include the information required for the USACE.**

The motion passed unanimously. (4-0)

After the motion and before the vote, Councilman Keener asked if this was required.

Mr. Draper answered yes. We submitted the application without this to the Army Corp and they came back with this requirement.

- J. Review, consideration, and possible approval of the purchase of additional HP StoreVirtual SAN nodes in the amount of \$56,583.97 from JFG Systems Inc., and matters related thereto. **FOR POSSIBLE ACTION**

The City of Elko's server storage needs are continuously growing. To accommodate those needs we plan storage augmentations. This is adding on to our existing HP StoreVirtual SAN. BM

Ben Mangeng, Information Systems Manager, explained they got several quotes from various agencies. Those came back in the \$70,000 range. The consulting company that we use came back with a refurbished option that came in at \$56,583.97. Items like these that are refurbished, they are items that were sent out for testing or open box or the boxes were damaged.

**** A motion was made by Councilman Schmidlein, seconded by Councilman Keener, to approve the purchase of additional AP StoreVirtual SAN nodes in the amount of \$56,583.97.**

The motion passed unanimously. (4-0)

- K. Review, consideration, and possible authorization for Staff to solicit bids for the Silver Street Improvement Project, and matters related thereto. **FOR POSSIBLE ACTION**

Project scope will be to install the public improvements on the north side of Silver Street from 12th Street to 15th Street. DS

Dennis Strickland, Public Works Director, explained with the bids that were received for the Police Station we have some left over money that we would like to utilize to finish up the north side of Silver Street.

Councilman Schmidlein felt we should get a decent price from the contractors.

**** A motion was made by Councilman Keener, seconded by Councilman Schmidlein, to authorize staff to solicit bids for the Silver Street Improvement Project.**

The motion passed unanimously. (4-0)

VII. REPORTS

A. Mayor and City Council

Councilman Keener reported he met with Assemblyman Ellison and Ben Mangeng from our IT department regarding sharing some fiber. Hopefully we can get some traction on that project. He is working on the appointed official evaluations and will have them by the end of the week.

Mayor Johnson reported on a foster parent recognition at the Presbyterian Church. He met with an organization called Community Foundations. They are based out of Reno and would like to expand out to Elko. They assist with gift giving to needy families/individuals. He attended the ground breaking for NV Energy.

B. City Manager

C. Assistant City Manager

D. Utilities Director

E. Public Works

Dennis Strickland reported this year they have tried a new system of weed abatement. With the money that was allocated for that we bought chemical and applied it ourselves and treated more things in the public view. The new patch unit is here and in production. The thunderstorm from last week demonstrated why we need to work on Cedar Street. Some residents did report some property damage. Slurry seal is scheduled for the first week of August.

F. Airport Director

G. City Attorney

H. Fire Chief

I. Police Chief

Rich Genseal reported tomorrow is Cops and Burgers at the Sheriff's Office. National Night out is coming up August 4, 2015 at the City Park.

J. City Clerk

K. City Planner-Rezone No. 7-15-Anderson; Rezone No. 8-15-BPL Partnership

Rick Magness reported on a couple of zoning actions (included in the packet). On July 28 at 1:30 pm, there will be an RDA meeting with the consultant for the Downtown Corridor.

L. Development Manager

Jeremy Draper gave an update on the Police Station. He met with NV Energy last week and they have everything in place now for the redesign of the power lines. The contractor for the tennis courts have been in town working on the surfacing. That should be wrapped up in the next couple of weeks.

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