

CITY OF ELKO
REDEVELOPMENT ADVISORY COUNCIL
REGULAR MEETING MINUTES
4:00 P.M., P.D.S.T., THURSDAY, OCTOBER 24, 2019
ELKO CITY HALL, COUNCIL CHAMBERS,
1751 COLLEGE AVENUE, ELKO, NEVADA

CALL TO ORDER

The meeting was called to order by Jon Karr, Chairman of the City of Elko Redevelopment Advisory Council (RAC), at 4:00 p.m.

ROLL CALL

Present: Catherine Wines, ACAB
Jeff Dalling,
Jon Karr
Lina Blohm
Bill Hance, RDA (*arrived at 4:18 p.m.*)

Excused: Corey Rice, Elko Co.
Katie Neddenriep, ECVA
Sonja Sibert, GBC
Steve Bowers, Elko Co. School Dist.

City Staff: Cathy Laughlin, City Planner
Bob Thibault, Civil Engineer
Shelby Archuleta, Planning Technician

PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

There were no public comments made at this time.

APPROVAL OF MINUTES

April 25, 2019 – Regular Meeting **FOR POSSIBLE ACTION**

May 21, 2019 – Special Joint Meeting **FOR POSSIBLE ACTION**

*****A Motion was made by Catherine Wines, Seconded by Jeff Dalling to approve both the minutes as presented.**

**Motion passed (3 - 0, Lina Blohm Abstained).*

I. PRESENTATION

- A. Presentation of NV Energy Underground Management Plan to be implemented January 1, 2020 and how it relates to Redevelopment, and matters related thereto.

INFORMATIONAL ONLY

Josh Carson, Distribution Design Supervisor for NV Energy, mentioned that he was accompanied by Will Morgan, who is over streets and highways. Mr. Carson explained that he met with Mr. Thibault and Ms. Laughlin previously regarding this program. He explained that the Underground Management Plan was something new that has been recently established between NV Energy and the Public Utility Commission. The packet (**Exhibit A**) that has been provided establishes the criteria and the eligibility for the Underground Management Plan. What the program does is address the distribution undergrounding requests between the local jurisdiction and NV Energy. Mr. Carson gave an example of the project he discussed with Ms. Laughlin and Mr. Thibault that pertains to an alleyway off of Silver Street and between 4th and 5th Streets. There is an active project that is being looked at, and this plan could help provide some assistance for the project. The reason the plan was put together was because local governments have a direct interest in undergrounding facilities, which was the reason Ms. Laughlin approached NV Energy to look at this specific project. She wanted to know what kind of opportunities were available and if there was any cost sharing availability and participation. At the time Ms. Laughlin approached them, there wasn't anything available. This plan has since come into play. The City has current requirements for undergrounding utilities for any new infrastructure. From a utilities perspective, NV Energy supports undergrounding, because it produces a higher degree of reliability and reduces maintenance costs on their end. Mr. Carson then asked for any questions on the initial eligibility and criteria.

Chairman Jon Karr asked what size the standard lines are that are running downtown.

Mr. Carson said they typically run a 24-9 system in the incorporated city areas. The City would be eligible for the most part. Where this might come into play is some of the more rural areas, which might not meet some of the eligibility requirements.

Catherine Wines asked if the program would only be eligible in areas where construction is going on.

Mr. Carson said one aspect they were still seeking guidance from the PUC on was what defines a Redevelopment Area. He said the simple answer was yes, it typically is an area of redevelopment where they will be conducting construction.

Ms. Wines asked if it was available to built out areas, like some of the alleys in the downtown.

Mr. Carson said where it comes into play most is when you are undertaking a new construction project; where you want to incorporate the lines, or are upgrading the lines, and want to participate in undergrounding that structure.

Cathy Laughlin, City Planner, explained that it would be similar to when Steve Romero undergrounded the utilities behind his development on Idaho Street. It would also be similar to the project that Mr. Carson referred to, the Stockmen's parking lot. Staff met with NV Energy and asked what they could do and what it would cost to underground the line from Capriola's to Stockmen's. It would help with the ingress and egress out of the parking lot into the alley area. The layout of the poles was determining ingress/egress in the alley. Staff said the poles are compromising the design and a variety of other things. At the time, for Redevelopment to take that on as whole would be extensive. It would be similar to what was done on 7th Street. Staff dropped it at that point, and then Mr. Carson called to discuss the new program. Staff was excited, because now it would be more feasible with some cost sharing. The project would qualify for this program because it's a new construction of the entire parking lot area and reconstruction of the alley.

Jeff Dalling asked who would be sharing the cost, and if it would be the Redevelopment Agency.

Mr. Carson said they would get into cost sharing later.

Ms. Wines had another question on where the program would be available. She asked about the corner lot where the Stumble Inn used to be. She asked if someone were to construct there, if it would be eligible for the whole alley.

Mr. Carson said yes. It would be eligible for any of the criteria listed on Page 2 of the packet, and within the Redevelopment Area.

Ms. Wines asked if they wouldn't just do it for the site where the project was located, but for the whole block.

Mr. Carson pointed out that it would be project and cost dependent. There are a lot of attributes that effect how they utilize the Plan in cooperation with the Redevelopment Agency.

Ms. Laughlin said Point No. 2 the physical conflict with the approved Redevelopment Plan was the key point. It is listed in the Redevelopment Plan to eliminate blight and to underground utilities.

Mr. Carson thought it would be widely usable within the downtown area, or the Redevelopment Area. He then went on to "The Plan" slide. There are currently 27 entities splitting \$5 Million over three years, which comes out to approximately \$1.67 Million per year. If there is less than one hundred percent participation amongst those 27 entities, then the funding could be reallocated to another project. One thing they don't know, at this point, is what the breakdown is going to be. As of today, they don't have any applicants, but that is subject to change by the December 15th cutoff date. Once all the applications are received the funding will be allocated appropriately.

Lina Blohm asked if December 15th was the deadline for applications for one cycle of funding. (Correct) She asked if they had a project being planned, such as the parking lot, if it would be too soon to apply. (No) Ms. Blohm then asked if they had applied yet.

Ms. Laughlin explained that they have not applied, because this was the first she had heard of the deadline. When they met there wasn't a deadline at that time yet. NV Energy is still in the process of working through all of the details for the program. They stated that they were going to reach back out to the City and let us know if there is an application, what the deadline is, and any other information we will need.

Ms. Wines asked if the application would be project specific.

Mr. Carson said it would be project specific.

Ms. Wines asked if the deadline for the next three years was December 15th.

Ms. Laughlin explained that there would be funding available every year for 3 years.

Mr. Carson said that the funding was over a three year period, so the \$5 Million would be spread out over a three year period. It is allocated amongst the 27 entities. The total amount of funding won't be determined until all the applications are received. They don't really know the extent of the actual funding that will be usable until a later date. They are still working through a lot of details, because this was just recently passed by Public Utility Commission. The December deadline is a deadline that is going to make this applicable and usable by NV Energy, so they can have a hard and fast date to stop applications. As they get more information and as this Plan and process moves along, they will be disseminating the information through Ms. Laughlin.

Ms. Wines asked if there was a project that came up next year, if it would be available for funding.

Will Morgan explained that it is a three year plan period. They have to go back to the PUC every 3 years to justify getting the \$5 Million. Each year is treated on its own. December 15th isn't a hard line, but they do have to draw a line in the sand, so they can figure out where the funding stands. For the 2021 cycle, the deadline would most likely be in October or September of 2020. If you don't apply by December for 2020 you won't be missing out for the whole three year period.

Mr. Carson said one thing to keep in mind, which came up in the project that Ms. Laughlin was discussing, is the Plan does not cover the cost to redistribute the services. Another thing to think about is the Joint Pole Agreements. There is not just power infrastructure to think about, there is also Joint Pole Agreements with phone and internet that would also have to be discussed and looked at for some poles too.

Mr. Morgan said another thing with JPA applications that the PUC was pretty strict on, was that they don't want to spend a bunch of money undergrounding the power lines when AT&T and Charter are allowed to stay on poles. The stipulation that they made was that there needs to be an agreement in place with whatever communication companies that might be sharing pole space; that within 12 months of NV Energy's project they will relocate their facilities under ground as well.

Ms. Laughlin pointed out on the Seventh Street project that they had communications on those poles. The City worked closely with the other entities and got all of it underground at the same time, and the City paid for that cost.

Ms. Blohm asked if the first in the shoot had a better chance at getting their particular request, or if NV Energy would be waiting for all of the 27 entities to bring something forward. She asked how they saw that process working.

Mr. Carson said they didn't have an answer yet to how that process was going to work this being the first year. He thought once all the applications came in, it would determine the allocation. Depending on the number of entities, it might not be as much as you are anticipating to cover the funding. It is something to consider. They thought they would have a determination of total funding approved by early spring.

Mr. Morgan said they should have the initial calculation of line miles, which will determine the pro-rata share of the basis budget, by the end of next week. All of the entities will be receiving a letter with the preliminary dollar amount that they are eligible for per plan year. One of the items they need to work through with the PUCN is if they only get Elko Redevelopment wanting to do one project, do they reallocate the total \$1.67 Million for that year, or does it roll to the second plan year. There is quite a bit that they are still trying to get answered by PUC staff. They geared this more towards Vegas, but they wanted to make sure that there was rural inclusion. In Northern Nevada redevelopment has a different meaning than it does on the Vegas Strip. They are also trying to outline a definition that fully applies to Northern Nevada, not just demolishing a hotel/casino on the Vegas Strip and rebuilding condos.

Bill Hance arrived.

Mr. Dalling asked what the cost was going to be for the power lines to be undergrounded at the dirt lot.

Ms. Laughlin said they received a ball park estimate from NV Energy. It was around \$50,000 for their portion. Staff ran some quick numbers and they figured it would be around \$200,000 to \$250,000 for the total project. Redevelopment paid \$200,000 for 7th Street, and it will be similar. That was depending on if we go underground at 5th Street, on the Capriola's side and bored under NDOT right-of-way, or if we go underground at the corner. It could be a good savings if we don't mess with 5th Street.

Mr. Dalling said they were looking at a cost of \$200,000, which would not be coming from the City.

Ms. Laughlin said it would be paid by the Redevelopment Agency.

Mr. Dalling asked how much the parking lot was going to cost Redevelopment.

Ms. Laughlin explained that the Redevelopment Agency approved \$99,999 to Stockmen's for the parking lot construction. We have Shared Use Agreement with them that it be public.

Mr. Dalling asked if they now wanted to put another \$200,000 from Redevelopment into the parking lot.

Ms. Wines said it would only be \$100,000 if NV Energy paid for half of it.

Ms. Laughlin explained that this program wasn't part of the conversation when staff met with them about undergrounding those power lines. They met way before this program was developed. They figured a grand total cost of \$200,000, if they kept it on the west side of 5th Street. At that time staff decided that it probably wouldn't be worth it. Now if it is a \$200,000 project and it is only costing Redevelopment \$100,000, and we would be cleaning up that whole alley and all of that power line, because NV Energy is covering that cost; then it might be worth it. That is why this program is in front of the Advisory Council today, to get them thinking about it.

Mr. Carson explained that the specific project would be subject to change based on actuals at the time. Once the project moves forward, if Ms. Laughlin makes application, then they will be able to give a more solid answer on what the 50/50 cost sharing really looks like. Mr. Carson pointed out that the 15% variance, listed on Page 4, was removed from the Plan.

Ms. Wines thought it sounded like a great project. Power lines are blight. To have the great downtown that they are all hoping to have, the power lines need to be moved. It is expensive, but she thought it was awesome that NV Energy wanted to pay for half. She recommended making application just in case.

Chairman Karr said he appreciated presentation. He asked Mr. Carson to fill them in on the corridor lighting.

Mr. Carson said that Ms. Laughlin approached NV Energy quite some time ago in regards to making some assistance with changing out bulbs, specifically in the Stockmen's area of the corridor. NV Energy was looking at cost to assist with that project when they decided to revisit a previous attempt, which had come up approximately two years ago, to convey the lights directly to the City of Elko. They went through a series of approvals and estimated costs of the infrastructure. At that time, the depreciated value of the infrastructure came back at an amount that was higher than the City was willing to pay. After some time had gone by, and Ms. Laughlin re-approached them to assist with changing that area to LED, they decided to re-approach the conveyance of the lights to the City, because Ms. Laughlin expressed that it was something the Redevelopment desired to look at again. NV Energy is under some new management and has been going through the conveyance approval process for the better part of a year now. They are hoping that it is coming to the final stages, where they are either going to get final approval or a full denial. They have had to go through a key decision report to their Senior Vice President, which includes values and all the justification leading to why they would want to convey their assets to the City. They don't know if it is going to be at a zero cost, or what the cost will be at this point. Mr. Carson explained that the way they presented it was at a zero cost. They are

hoping that it will come through approval before the end of the year. One of the biggest hold ups was that they went through a general rate case this year, and that is a poor time to adjust assets within the company, so it was placed on hold for a period of three months. Now that that has been completed, it has gone through that process and is in the review stages. They are hoping that the remainder of the lights in the downtown corridor will be conveyed. There would be some stipulations, the lights would have to be metered, and they have looked at the potential of three specific locations for the meters. Mr. Carson thought it was a fair trade. As they gain more information, or inch closer to approval, they will relay that information to the City.

Chairman Karr asked if it was denied, if they could still try to work together on changing the bulbs.

Mr. Carson said that was something they could definitely look at doing. That is something that they would coordinate with their operations group to assist the City, and they have already provided the price quotes. He thought it was smart to approach conveyance first, because then the City would have the freedom to change and maintain as they see fit. Mr. Carson said their operating group had plans to give a presentation to the City, because they do have some general plans of doing LED change outs throughout the City.

Ms. Wines asked if it would help to get some influence from the different Boards, or the Mayor.

Mr. Carson didn't think it could hurt. It is already in the review process, but it's not too late to add a supplement such as that.

Ms. Wines asked where the decision came from.

Mr. Carson said it would come from the Senior Vice President, which is in Vegas.

Ms. Blohm asked, as the lights exist in the corridor, if there is a standard they should be meeting, and if they are meeting that standard for illumination.

Mr. Carson explained that all of the existing lights that NV Energy owns and maintain meet their current standard for the time they were installed, and as they get replaced they meet the current standard.

Ms. Blohm said they continually get comments from the community that it is dark in the corridor. They don't feel safe going into the downtown corridor area in the evenings, because it is not illuminated.

Mr. Carson thought the best way to assess that is these lights are reaching a point in time where they are not current, to current lighting standards as if they were new. They met City Standard and NV Energy Standard at the time they were installed.

Mr. Thibault had a question for Mr. Carson regarding the undergrounding agreement plan. He asked if the cost sharing, assuming the funding was available, could be applied to both the

trenching and conduit installation typically done by a contractor, as well as the work that NV Energy usually does to provide the wire, pull the wire, and make the connections.

Mr. Carson said yes, but it would also be dependent on the amount of funding that is received.

II. REPORTS

A. Budget

Ms. Laughlin went over the budget report.

Mr. Dalling thought the train turned out good that Byrnes Painting did.

Ms. Laughlin mentioned that there was a presentation to Les Byrnes at the City Council of a nice plaque with a picture of the train.

B. Storefront Improvement Program

Ms. Laughlin said there is \$25,000 remaining in the 17/18 budget that was approved, but has not been paid out due to a lack of proper invoicing. On the 18/19, Patray Assets are done and 100% paid; the Commercial, we've been seeing some action, but have not seen a reimbursement request from them; The Pat Laughlin Family Trust is 90% complete. In the 19/20 Storefront Grant Program; Capriola's was allowed to request half up front, because their project was over \$10,000, and they placed their order for all their signage. They actually came in less than what they were allocated, because they got a discount for paying up front. Jason Land's project is in progress. She asked Ms. Wines to give a report on her Storefront Project.

Ms. Wines stated that she didn't have anything to report.

Ms. Laughlin said they will be starting up for the next cycle. She has had quite a few calls lately in regards to the upcoming cycle. If we don't see any applications coming in by February we will have to do some sort of advertising.

C. Other

Ms. Blohm asked for an update on the Block Ends.

Ms. Laughlin explained that Mr. Thibault has been extremely busy with the Sports Complex, so we haven't gotten any further on the design work on the block ends. We are hoping to be going out to bid for the project in early spring and starting construction this summer.

Ms. Wines gave a brief report on the Mural Expo.

There was brief discussion regarding the Fire Sprinkler rate increase. Comments/concerns were directed to the City Clerk.

There was further discussion regarding undergrounding the utilities at the proposed Stockmen's parking lot, the costs associated with that, the NV Energy undergrounding utility plan, and the corridor lights.

John Ellison stated that he could give an estimate on getting new services to all the business along the alley between Silver and Commercial and 4th & 5th Streets. He also stated that he had a meeting with NV Energy in Vegas about the lights in the corridor, and he was going to try to get Ms. Laughlin on a conference call.

COMMENTS BY THE GENERAL PUBLIC


Mr. Ellison wondered if there was something they could do to get NV Energy to brighten or fix the street lights in front of the bowling alley and Dreez on Silver Street.

Bill Hance thought those were the City's lights. He also thought they were done about 6 or 7 years ago. He said he would talk to Dennis Strickland about it. Mr. Hance passed out some lighting information that has been included as **Exhibit B**.

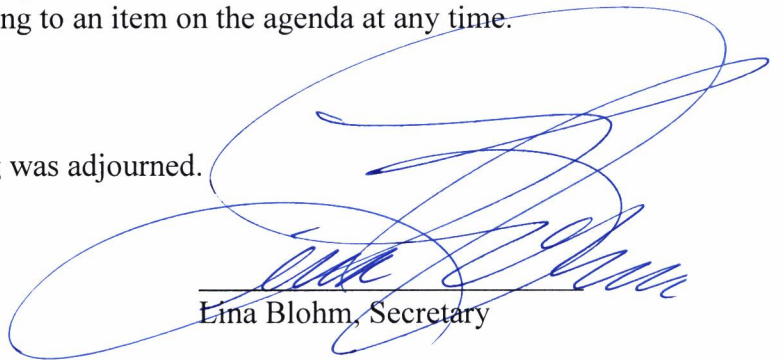
NOTE: The Chairman or Vice Chairman reserves the right to change the order of the agenda and if the agenda is not completed, to recess the meeting and continue on another specified date and time. Additionally, the Redevelopment Advisory Council reserves the right to combine two or more agenda items, and/or remove an item from the agenda, or delay discussion relating to an item on the agenda at any time.

ADJOURNMENT

There being no further business, the meeting was adjourned.



Jon Karr, Chairman



Lina Blohm, Secretary