

**CARLIN CITY COUNCIL
CITY OF CARLIN, STATE OF NEVADA
CARLIN MUNICIPAL COURT ROOM
101 SOUTH EIGHTH STREET
CARLIN, NEVADA**

**January 26, 2022
7:00PM**

The public may address the Board on agenda items as they are reviewed, at the discretion of the presiding officer or during the time reserved for Comments by the General Public, after being recognized by the presiding officer. The Public and all persons addressing the Board must abide by the requirements of the Carlin Municipal Code 1-6-11, detailed at the Public Comment section of this agenda.

Note: The Mayor or Vice Mayor Reserves the Right to Change the Order of the Agenda. Additionally, the Council may, by majority vote, combine two or more agenda items for consideration or may remove any item from the agenda or delay consideration to a future City Council Agenda.

Call to Order and Roll Call

Mayor Dana Holbrook called the meeting of the Carlin City Council to order at 7:00 p.m.

**Council Members Present: Mayor Dana Holbrook
Vice Mayor Lincoln Litchfield
Councilperson Pam Griswold
Councilperson Cameron Kinney**

Council Members Absent: Councilperson Margaret Johnston

**Staff: Madison Mahon, Carlin City Manager
LaDawn Lawson, Carlin City Clerk
Carlos Esparza, Carlin Public Works Director**

Public: Lucas Tipton, Farr West Engineering
Logan Jensen, Farr West Engineering
Steven E. Wilkinson
Karla Jones
Lorrie Haub
Terry Haub
Melissa Stevens
Ben Stevens
Fred Montes de Oca
Jeremy Neill
Mary Ann Tillman
Valerie Myers

Elaine McCrury

Pledge of Allegiance

1. **Comment by the General Public (Non-Action Item):** Pursuant to NRS 241.020(2)(D)(3) (I & II) this time is devoted to comments by the general public and possible discussion of those comments. No action may be taken upon a matter raised under this item until the matter has been included on a successive agenda pursuant to the required procedures at the discretion of the City in accordance with applicable law and identified as an action item.

Municipal Code :1-6-11 : MANNER OF ADDRESSING BOARD ; TIME LIMIT :

Each person addressing the board shall first give his name and address for the records, and unless further time is granted by the presiding officer, shall limit his address to five (5) minutes. All remarks shall be addressed to the board as a body and not to any member thereof. No person, other than the mayor, the members of the board and the person having the floor, shall be permitted to enter into any discussion, either directly or through a member of the board, without the permission of the presiding officer. No question shall be asked except through the presiding officer. (Ord. 81, 9-10-1975, eff. 9-17-1975)

PUBLIC COMMENT MAY BE TAKEN DURING DISCUSSION OF INDIVIDUAL AGENDA ITEMS.

- a. Mayor Holbrook briefly introduced two emailed letters, from Ann Overman, pertaining to the rates that would be discussed in Public Hearing but to be read into the record as comments from the public.
- b. Mayor Holbrook's reading of email from Ann Overman: If the City can't afford to do a new sewer and water system how can it even think of buying land or anything else that is not absolutely necessary? How much is this new sewer and water system going to cost? The new rate raises include the money the government has given the City, or so I was told, so all of us that get by on Social Security are going to have to figure out how to suck it up. What more can we go without? Another meal less a day, medication, insurance, turn down the heat even more, give up our car, beg for a ride to the store, post office, and church. I was also told to show up at the meeting and then asked if that was the only way I could be heard. She said no and I could email her and she would present it to the Council or I could write a comment on the Zoom meeting. There are lots of us old folks that don't have access to email or zoom. As for me I don't get out at night and not much in the daytime either because of the COVID and I personally don't think masks do any good either. I'm asking folks to wake up and stand up and be heard. Attention, I misquoted Madison. The total cost of this proposal was quoted by her as twelve million dollars, not my misquote of twenty million dollars. Sorry.
- c. Mayor Holbrook's reading of email from Ann Overman: There is about to be a

meeting with City Council tonight at 7 p.m. that could change our whole lives! It's time to drag our heads out of the sand and wake up. I know there are some of us left, that are brilliant people with problem solving abilities. Our town is about to go to hell in a hand basket, like the United States, if we don't wake up, stand up and be heard. With Covid being rampant in our town, I understand not going to the meeting in person, (that won't stop them) just to let you know it will be on zoom and you can post your comments there. Twenty million dollars is about to be put on our children and grandchildren's shoulders. Yes, I said twenty million dollars. That is the estimated cost of the new sewer and water system they are proposing to install for us. And by the year 2026 we will be paying at least \$181.00 a month for water and sewer. Can we afford that? There is already so much waste to our taxpayers' dollars, are you ready to keep paying? Please wake up! Don't let them pull the wool over our eyes.

- d. After reading the two letters, Mayor Holbrook stated that hopefully in our presentations some of these questions will be answered. We are trying to be very upfront with what's going on here. I'm glad to see a lot of people here so that we can see what's going on.
- e. Mayor Holbrook then read another emailed letter, from Billie Brazeal, also related to the Public Hearing topic.
- f. Mayor Holbrook's reading of email from Bille Brazeal: We are contacting you in regards to the City Council meeting tonight regarding proposed changes to rates and improvements to our sewer and water system. Unfortunately, I do not have the Councilmembers' email addresses but am confident that you will share our concerns and questions. We are concerned that at this point with the economy extremely high cost of goods needed for this proposed project as well as the high-cost; people are already paying for food, fuel, utilities, etc. that the City would propose taking on this type of expenditure and taxing the citizens now and in the future further. We are also concerned about how improvements will affect the Tomera Road residents. Will we be forced on City water and sewer? If so, will we also be forced to put in curbs and gutters? That's an expenditure my husband and I could not afford. We are both retired and there are many young families in this area I doubt could afford it. We do hope to make the meeting tonight but if I cannot I hope this email will suffice in sharing our concerns. Thank you for your time, Richard and Billie Brazeal.

2. Utility Rate Increase:

- A) **PUBLIC HEARING NOTICE** is hereby given that the Carlin City Council, Carlin, Nevada will hold a public hearing at the regular meeting held on January 26, 2022, at 7:00 p.m., in the Carlin Municipal Court Meeting Room, 101 South Eighth Street, Carlin, Nevada. The purpose of this hearing is to review, discuss, and possibly direct staff to draft a resolution to amend the water and sewer utility rates. All comments regarding this matter will be considered at the Public Hearing. At the conclusion of the Public Hearing, the Council may move to close the hearing.

Mayor Holbrook opened the Public Hearing at 7:08 p.m.

- a. Mayor Holbrook indicated combining Item 2A and Item 2B on the agenda for the presentation by Lucas Tipton, Farr West Engineering, to be included during the Public Hearing. Mayor Holbrook stated after the presentation we will discuss and then close the Public Hearing.
- b. Lucas Tipton, Farr West Engineering, introduced himself, the rate study, and the purpose of the presentation. He stated that discussion in October 2020 was before the refined financial information was available. At that meeting we looked at four separate alternatives to capital improvements for the water system. City Council approved staff to pursue Alternative 4, which had three primary projects: the Spring 1 Project, which replaces the transmission main between Spring 1 and the booster pump station, as well as some improvements to Spring 1; the Replaced Transmission Mains Project, which replaced the transmission mains between Cedar Street and the tanks and goes across the highway there; and then a project to replace the south distribution system, which would be this side of the railroad tracks, which is the oldest portion of the City's infrastructure. In October 2020, all projects were estimated to cost a total of \$8.5 million, and the plan was to pursue \$7.5 million in loan or external financing to fund those projects and we were looking at a rate adjustment to just over \$71 in fiscal year '26 and up to \$84 by fiscal year '31, but once again I want to point out that that was very preliminary financial data that we had at that time. So, we'll see a little bit different readjustment tonight. Where we are at today, there are four primary things that have changed since October 2020. The first is we are now very aware of a clause in the City Charter that caps the total indebtedness the City can take on at 20% of the total assessed value of property within the City boundary. We're estimating that at about \$7.6 million based on the fiscal year '21 total assessed value. The second item is that the City now has approximately \$3 million in ARPA funds, which could be put towards infrastructure. I guess one more comment on that, I've been made aware that a question has been raised in the past on whether the City could use those ARPA funds to ease rates or offset infrastructure costs, and I'd say that, you'll see in the presentation tonight, that's exactly what we're proposing with those funds. So really what the financial or rate model does is offset the total project costs with this funding source. Let's say you had a \$4 million project, and you put all \$3 million towards that, only a million dollars would go towards the rate payer or towards rate adjustments. The Bipartisan Infrastructure bill has recently been passed, which is making a considerable amount of more funding available for infrastructure around the nation. Here in Nevada, we still don't have final guidance on it, but we know that about \$400 million over the next five years is going to come through the State Revolving Fund, which is managed by the Nevada Division of Environmental Protection. The State Revolving Fund has two primary funds: drinking water and clean water, with clean water being for wastewater or sewer. The infrastructure bill is setting up four programs for each fund that have been created to address different issues. For example, there's a program for lead pipes that will go towards remediation of lead pipes or lead fittings in systems, or a program just for emerging contaminants is a new concern. I will say, though, that most of these programs

are still primarily loan dollars. However, there are going to be more grant dollars available than normal. However, as I'll show, with the debt limit of \$7.6 million, we're going to be limited in our ability to go after some of those programs unless some things change.

- c. Vice Mayor Litchfield asked it's clear to me, but it might not be to other people, the difference between drinking water and clean water, so can you explain the difference between those two, because it sounds like the same thing?
- d. Lucas Tipton, Farr West Engineering, stated that drinking water is any improvement you want to make to your water system, you'd be going to the Drinking Water State Revolving Fund for the drinking water. Now there's some things like recycled water that benefits both wastewater and drinking water, so those types of projects can go to whatever fund is best, but for the water system we're talking drinking water. For the sewer system, that's the clean water fund or program. I mentioned Nevada's getting just over \$400 million; \$344 million of that is being earmarked for drinking water projects, so the Drinking Water fund, so there's not going to be as much money available for the sewer, or the clean water. The last item that's changed since October 2020 is cost escalation. I mentioned that the projects were estimated at just over \$8.5 million. These projects now are being estimated to cost just under \$11 million. The complete water system CIP that came out of the engineering reports where it included six projects, totaling just under \$30 million, what this rate study is taking into account is just the first two projects. So, we no longer are identifying the South Distribution System Replacement Project because we can't exceed that debt limit. Previously we were targeting external funding or mainly loan dollars for that, but for now, that's not being proposed. Before we get into some of the financial information, I want to give an overview of some of the key information that was taken into account as we recommended these rate adjustments. We're starting with a \$1 million cash balance toward the Water Enterprise Fund. This is just for your water system. The two projects that are being proposed to be completed through fiscal year '26 is the Storage Tank Transmission Mains Project for \$4.35 million and the Spring 1 Transmission Main Project for \$1.14 million. The funding sources used to construct these is a USDA loan for \$4.35 million, which the City has already applied for and received from the USDA, using about \$765,000 of the ARPA funds, of the \$3 million, now the balance of that is going toward the sewer system, and then using about \$377,000 of the million dollars in reserves to fund these projects. In fiscal year '22, we're commencing work on the Storage Tank Transmission Mains Project, and that's fully funded by the USDA loan. The project being proposed in fiscal year '23, which really means it's bidding out this summer, is to replace the Spring 1 Transmission Main, and that's partly being funded from grants or ARPA dollars, and the remainder comes from reserves. Describing an image on a presentation slide, and regarding current rate structure, from the slide you can see that revenues significantly lag annual operating expenses, so this is before any project. Couple that with pursuing these projects and taking on that loan, the debt service shown makes this condition even worse. So, what the rate study has done is adjusted rates so that revenues, which still has a short

fall over the first four years but recovers in that final year. Two slides show cash flow analysis for the water fund that show this. The proposed rate adjustments are identical to the ones found in the public notice for tonight's meeting. These rate adjustments included four different customer classes: residential, commercial, standby, and RV. How we set these rates, especially in this fiscal year '22, was we utilized an industry-standard methodology that's called a cost-of-service analysis, where we look at system expenses and we allocate that to the customers that are driving those costs. So, if commercial is driving certain costs, commercial needs to pay for those costs. If all customers are driving those costs, then all customers share equally in paying those costs. That's what set the difference between residential, commercial, standby, and RV. However, moving forward, all those rates adjust equally according to the percentage that that rate's already adjusted on a year-to-year basis. In other words, if rates are adjusted by 7%, everyone's adjust by 7%.

- e. Mary Ann Tillman asked if our rates are going up, if we're paying more, will that leave us more options for more grants?
- f. Lucas Tipton, Farr West Engineering, stated well, yeah, eventually. Now with this study, we are getting up against that debt limit, but grant dollars would not count against that debt limit. So yes.
- g. Mary Ann Tillman stated because as I understand it now, Elko gets grants and we do not get the grants.
- h. Lucas Tipton, Farr West Engineering, stated I can't comment on what grants Elko has received or is pursuing, but Farr West, we represent a lot of utilities across the state, we have the city's best interests and we're going to be pursuing any kind of grant funding that we can find to construct additional improvement projects, because as you saw in that original list, only two are being pursued out of the seven.
- i. Councilperson Kinney stated Madison, correct me if I'm wrong, but part of the reason we haven't been able to apply for or qualify for those certain grants is because our water and sewer was combined. So, part of this rate study is separating the water and the sewer into two different bills, which allows us to qualify for more grants, correct?
- j. Madison Mahon, Carlin City Manager, stated correct, and Lucas, you know more about that than I do, but when we had them all linked together, we did not qualify for specific State grants, is that right?
- k. Lucas Tipton, Farr West Engineering, stated correct. So about 18 months ago the State Revolving Fund said we won't fund any projects because you don't have the financial history to show that you are a sustainable system. That was 18 months ago, so we already have over a year under our belts but moving forward since you've separated your water fund from your sewer fund from garbage and street lights, you're going to be able to qualify for their programs.
- l. Fred Montes de Oca asked on this water and sewer, where does industrial fit in?
- m. Lucas Tipton, Farr West Engineering, stated industrial would fit in under your commercial class.
- n. Fred Montes de Oca asked what's the standby?

- o. Lucas Tipton, Farr West Engineering, stated standby would be, any undeveloped property would pay this because undeveloped property benefits from having a viable water and sewer utility. That property's worth more because there's an adjacent water system or sewer system that they can eventually hook up to when they develop.
- p. Fred Montes de Oca asked wouldn't industrial be different from commercial?
- q. Lucas Tipton, Farr West Engineering, stated no, because we must look at what data we have to determine who's driving that cost, and right now most of the customers are largely unmetered. So, if everyone was metered and we saw that industrial was using five times the amount of water that commercial or residential were, we would be recommending an industrial weight class.
- r. Fred Montes de Oca asked and RV? Right now, on this list that you have it doesn't really show, of course I know by looking at my bills what I pay right now, but the thing is like RV's \$34.60 right now.
- s. Lucas Tipton, Farr West Engineering, indicated uncertainty about what the current RV rate is, but with our class of service, we kind of look back at the drawing board to set these rates, to start, and once again, where we identify specific costs that are applicable to that customer class, and that's what we did for standby and for RV.
- t. Fred Montes de Oca stated now back to commercial. There's a lot of buildings in Carlin that's commercial but they have residential homes on them. That's why a lot of places here in town, here recently, they couldn't sell their land or their home because it's commercial, so they had to come to the Council and have it, I don't know if they had it rezoned, they changed to residential. So, in other words, if you're on commercial property, is that going to change, too?
- u. Lucas Tipton, Farr West Engineering, stated these would be customers that are classified as commercial with the water utility.
- v. Councilperson Kinney stated it wouldn't be based on the land that you're on. It would be based on whether you're running commercial business on that land.
- w. Lucas Tipton, Farr West Engineering, referred to a presentation slide showing the cash flow analysis, getting down to just about \$200,000 there in fiscal year '24 with a very small amount of quote-on-quote free cash, but because of the rate adjustments the fund does recover and is moving back into the positive direction there by the end of the study.
- x. Valerie Myers asked how are all these changes going to impact my neighborhood on the east side of Carlin? Right now, I take care of the pump lift station. Is the east side of town even included?
- y. Lucas Tipton, Farr West Engineering, stated all customers of the water and sewer utility will pay the proposed rates, but yes, these improvement projects are not system-wide currently. There are plans to improve much of the system, but all these projects are not going to be adjacent to every customer's home.
- z. Mayor Holbrook stated we do have to get the water from the spring and the well. That's essentially, that water is coming to the whole town. It's used throughout the whole town. We're just not replacing the lines there. The water in the main lines that are bringing that water into our town system, and the same when we're discussing the sewer, some of the sewer is down here, but

- everybody's sewer goes into the same place.
- aa. Valerie Myers stated so these improvements are not underground improvements.
 - bb. Mayor Holbrook stated yes that they're the water lines bringing water down.
 - cc. Carlos Esparza, Public Works Director, stated your system is private, but your private system dumps into the public system, so that's why your rates will change because you're getting the water from the same place. So, if you have fifteen mobile homes, they're going to pay the same residential rate as everybody else in town even though the pipes in the ground actually belong to the property owner.
 - dd. Valerie Myers stated so there won't really be any improvements.
 - ee. Carlos Esparza, Public Works Director, stated not in your area.
 - ff. Valerie Myers stated I just get to pay.
 - gg. Councilperson Kinney stated you'll benefit from the making sure our transmission mains that are supplying the whole City with clean water are replaced because they're many decades old and could potentially break, and then no one has water. So, replacing these transmission mains are going to prevent that from happening and prevent people from being without water. Does that make sense?
 - hh. Lucas Tipton, Farr West Engineering, stated we're kind of replacing the backbone of the system.
 - ii. Valerie Myers asked and any replacement of the sewer lines, is that going to back up to my system?
 - jj. Councilperson Kinney stated it's not just replacing sewer lines. We're also improving the treatment of the sewer as well, where everyone's sewer is going.
 - kk. Lucas Tipton, Farr West Engineering, stated and reducing the volume of flows that go into that little station, because we're replacing the leakiest pipes in your system. There was some brief discussion among attendants on the location of the station.
 - ll. Mayor Holbrook stated we're moving onto the sewer right now, but these lines we're talking about are the main water lines that are coming into town, bringing the water to everybody, into town. And I realize your property is just like my property, I am responsible until I get to the City lines. Everybody is responsible for the property you own and the system you own until it gets into the city lines. Your guys' is a little different because it's a bigger area over there that was put in by private individuals, so I know where you're saying, but still no matter what, your water is still coming from City water and your sewer is still going into City sewer, and your properties are responsible up until it goes into the City lines.
 - mm. Valerie Myers asked if I'm allowed to bill those properties for the sewer.
 - nn. Mayor Holbrook stated I'm not sure how that part works. I mean, their rates are going to go up same as everybody else's for the water and sewer.
 - oo. Valerie Myers asked about a map of every resident that's on the pump station that I have to take care of.
 - pp. Carlos Esparza, Carlin Public Works Director, stated we might have a map, but basically, it's the whole trailer park. There was some brief discussion of the

area with Valerie Myers. Then he stated and they should be, well you can come down and see me and I can explain it to you, but when that trailer park was created, there's a document that everyone in that trailer park is supposed to be paying into the up-keep of that lift station. I don't think anybody's been doing that. You can come down and see me and I can show you the maps.

- qq. Councilperson Kinney stated to answer the question that was asked on the email about Tomera, I think all that is on well water, and there's no plans in place for the City to impose any City water being brought out that way.
- rr. Lucas Tipton, Farr West Engineering, stated moving on to the sewer utility, the sewer system. Back in October 2020, we also looked at four separate capital plan alternatives for replacing infrastructure and addressing needs of the sewer system. City Council also approved Alternative 4 for the sewer system, which had three primary projects: a system condition assessment; replacing some monitoring wells around the waste water treatment facility; and then replacing what we deemed priority one pipes, so these would be the worst pipes that came out of that condition assessment and I&I survey, so these would be your leakiest pipes or the pipes in the worst condition. These three projects totaled \$7.4 million in October 2020, with the plan to pursue \$7 million in loans to fund those projects. We had estimated rates moving to just over \$66 by fiscal year '26 and just under \$100 by fiscal year '31. With the water, the same things changed for the sewer system. Once again, the debt limit, that's a total indebtedness for the City, so the same debt limit applies for the sewer that does for the water and any debt incurred by the water goes against how much debt the sewer system can take on. Tipton reviewed the City's ARPA funds and the Bipartisan Infrastructure bill context. Then he referred to cost changes and stated although the one difference from the water side is we saw costs go up; we're actually revising our project total down to \$6.3 million. This is because we have changed our recommended method for replacing your sewer pipes. There's two primary technologies or methods of installing sewer. One is open trench, dig a trench and replace a pipe in the ground and bury it. The second one is called CIPP, or cast-in-place pipe. What this does is it goes to each manhole and we place a flexible liner in the existing pipe and then we expand it or blow it up with air, and then we cure this resin compound that's in the liner that creates a rigid, it's a thin wall, but rigid pipe inside of the existing host pipe that is leaking or is damaged. So now you no longer have the ability for ground water to get into your sewer system. And we're seeing significantly lower costs for that.
- ss. Elaine McCrury asked so with that, would it be almost a patch job essentially versus a full pull up? Because you're saying that you're going to feed through these preexisting pipes in place, blowing them up, so you're essentially clamping the leaks and creating a resin that encapsulates it, so what you're doing is you're just reusing the pipe and band-aiding it? That's why the costs are a little bit different? Or is it just a technology that's a little bit harder to explain?
- tt. Lucas Tipton, Farr West Engineering, stated I definitely would say, yes, we're putting in this new pipe. We're using that existing pipe as kind of our trench so

we don't have to incur any costs of digging up your roads and getting down 7, 10, 12 feet deep. We can run 300 feet of pipe in an hour because of using this flexible liner technology. This is something that's used across the nation, especially in big cities. I wouldn't call it a band-aid. It's definitely not a cheap way out from just the total approach. It's cheaper cost-wise, but we're not digging up your streets, we don't have to replace asphalt all along the street, and we don't have as many project hours for our contract on the job.

- uu. Elaine McCrury stated so your overhead costs are what we're saving on because of the materials involved?
- vv. Lucas Tipton, Farr West Engineering, indicated yes. We do this for the City of Sparks and City of Reno, we manage their programs every year, and we're seeing costs around \$50 a foot to install this technology, whereas new pipe, open trench, we're looking at \$125 and above.
- ww. Councilperson Kinney asked so did you do a cost analysis on what it would cost us to completely trench out?
- xx. Lucas Tipton, Farr West Engineering, stated correct, yes.
- yy. Councilperson Kinney asked and what did that come out to at the new cost, because I know we had the proposed cost, but then there would be a new one because of price increases on material and labor and whatnot?
- zz. Lucas Tipton, Farr West Engineering, stated in the sewer PER, Alternative 2 was basically the same project but utilizing open-trench technology, and that project total, now this is everything, was \$27 million. Alternative 3 is the same project scope but utilizing this cast-in-place technology, came in at \$21.6 million. This was for the eight projects listed on this. We've reduced the scope for what we're pursuing at this time to just the top three, but yeah, we saw a \$6 million reduction for all of these. Now something like the lift station improvements is going to be the same regardless of the alternative because we're just talking about collection system construction methods with the difference.
- aaa. Elaine McCrury asked and with that Bipartisan bill, are we trying to appropriate funds through that as well, correct?
- bbb. Mayor Holbrook stated we're looking at that, but as you guys saw, we got \$2 million in ARPA funds, but with the inflation and everything, they gave all this money out, and our costs went up over \$3 million for the overall project. We are still going to look for that, but yes, we are, Lucas, they're definitely trying to get us stuff also, Carlos, we're always looking to get some more funds.
- ccc. Elaine McCrury asked are we fighting big cities, is basically what I'm asking? Because when you look at it, Carlin doesn't bring in what Las Vegas does. So, we're looking at fighting that for revitalizing infrastructure?
- ddd. Mayor Holbrook indicated yes, and stated and that's what's sad about Carlin is we do have seniors that are on fixed incomes, but we have so many people in this town that work at the mines that make really good money, and we don't have as many lower-income people, so it makes it look like we're one of the richest cities in Nevada just because of the wages brought in, because we're such a small community. When you're only talking 2,500 people and you have 1,500 that are making over 100,000 a year that really takes away our ability to

get some of this funding. We've been fighting it for years, trying to get grants, because they look at the overall dollar amount of the population so they're going to give it to somebody that their overall funding level is \$20,000 for a year of income. But we're so small it really hurts us and it's a fight.

eee. Mary Ann Tillman asked are their possibilities of getting other grants to defray some of these costs?

fff. Mayor Holbrook stated yes, and we are definitely going to try to look at that. And as you guys can see, we're only looking at three projects. We have other projects. The City of Carlin, we haven't had major projects in years, and eventually, especially with when we're looking at this, these rate studies actually started like five years ago; we've been trying to get this because we're up against that 20%, how much money we can borrow, and if we don't start getting some of these projects going, we still have all these other ones that we're not doing, and it's not going to get any better for us. Then we're going to have one of these big lines break or something, and then how are we going to pay for it and get it? You guys also see it takes so long to get parts and if something blows up on us on one of these big lines, and it's not planned for, who knows how long we're going to be down, trying to get a company to come in and repair it?

ggg. Lorrie Haub stated you talked about costs going up. So as time goes on, does that mean every time the costs go up, our rates go up? Is it never-ending? How is that going to work? Right now, looking at these numbers, it seems totally unrealistic and not practical. I don't care if you work at the mine. Paying \$200 a month for your city bill to me is not realistic, and I know maybe we need upgrades, but we did raise our bills a few years back supposedly to upgrade the systems. So why were they not done? So, the more we pay and the systems are supposed to be upgraded and they never are? What is going on?

hhh. Mayor Holbrook stated as you can see when Lucas put up the thing, our rates were up, but with the costs of our systems, we are actually not paying as much as what it costs to run our systems right now. We're subsidizing it with other stuff is how we're doing that, and the state doesn't allow us to really subsidize like this. That's why we're breaking our rates down, and now we're coming to the point that we have to be in it. We're in a thing of economics. That's why one reason, the City of Carlin, we've got to get more people, because the more people you have, then you get the economics of more people, it costs less to take care of that. Where we have a smaller group, we have to shoulder the full costs, and hopefully we can get some growth, and we're working on that, but we have to keep what we have running and going because it's not sustainable not to do anything. That's what we've been doing, and one of these days, we're going to be paying the bill, and then we're going to be in worse shape than what we are. Because if we have an emergency and we have to come in and replace one of these lines, it's going to cost us twice as much as what it's doing by planning it ahead and getting ahead of this. And we haven't done a very good job in the years past of getting this planned.

iii. Lorrie Haub stated yes, because our bills at that point, we went from \$40 to \$80. Now we're going to go from \$80 to \$200. And nothing happened evidently. I

don't know what was done. I don't keep good enough track but I might start doing it. I raised my rates and it was fine, it was supposed to help with the systems, and now here we are again. So, I don't know, and as the costs go up are our rates going to say, well now it's gone up another \$3 million so you're going to have to pay \$40 more dollars a month?

jjj. Karla Jones asked just to add to that is there a guarantee that this is going to happen? If we pay our rates, are you going to do something with our water line? Because we paid our rates last time and nothing happened.

kkk. Mayor Holbrook stated right, and we've started moving forward with these projects, and if we go forward and approve it, that's with these rate studies, we're also, even on here tonight, we're starting to approve contracts to get this going. That is the whole point of all this. We actually are putting this money into the ground because it hasn't happened in the past. But I will say that there have been things done. We do have water and sewer, and it has cost money over these years, and we don't really keep track. I know we did the sewer project just a couple years ago, where we had to do it. There are projects we've done, a couple hundred thousand dollars up on our water tanks. We have been putting it to work, and it costs a lot of money to run the sewer and water system. The years I've been in here, we have put probably a half million dollars into water and sewer over the last few years. So, it's happening, and everything costs money, and it's not going down; it's not getting cheaper. And this was started, and this year with inflation, I'm shell-shocked with everybody else because our inflation is going up. We're all doing it, but this has been something that we've been working on since 2020 and actually it started some of the rate study stuff prior to that and we were working our way towards doing that. When you're looking at our water and sewer, we have to be continually upgrading it, and if we don't there's going to be a day that water and sewer's going to not be there for us. And I'm hoping I'm retiring here, trust me, so I'm here for the long haul, so this is my rates here, too.

lll. Lucas Tipton, Farr West Engineering, stated and to be clear, the water system, the loan is in place. Like I said, that project is moving forward, and we're looking to acquire external funding for the large sewer project as well. Things are happening.

mmm. Elaine McCrury stated some of the materials, that idea that you guys proposed for the system instead of replacing everything, what's the longevity of that? So, is it a newer technology where we're not sure how you have to replace all your lead pipes? Is this a material that the integrity doesn't break down as fast, or is it something that's going to last better, and is it cost-effective to fix? Or is it one of those where you have to find another way to fix it?

nnn. Lucas Tipton, Farr West Engineering, stated it's a good question. Longevity is, these pipes should last 75 plus years. So just as much as any other PVC pipe. The one drawback to the CIPP is cleaning. You can't use a mechanical kind of snake or cleaning device if there's some kind of clog because it can get damaged, but there's other methods to clean and maintain your system.

ooo. Elaine McCrury asked like what?

ppp. Lucas Tipton, Farr West Engineering, stated you could water jet it. You can

go in with a camera, just something that's not real aggressive. But even with a plastic pipe, you can catch a joint and break a joint in your pipe and not know it. I don't know how much you do that anyway.

qqq. Steve Wilkerson stated that's all we do, actually.

rrr. Elaine McCrury asked so is there a way to fix that? You say like if you get hyper-aggressive with it, because we still use the roto-rooters or whatever, how much does it cost to fix it? Is it going to be more than your traditional pipes that you have in there, or is it cost-effective to redo that one again when you're looking at it that way?

sss. Lucas Tipton, Farr West Engineering, stated and we're just talking City mains here; we're not talking about private sewer pipes. But if it was damaged, we recommend digging that section up and replacing a 20-foot section of pipe with a rigid plastic pipe and putting a coupler in.

ttt. Jeremy Neill asked so you can't do the same technology—

uuu. Lucas Tipton, Farr West Engineering, stated over again? Yeah, I guess we'd have to see what the problem was, but there would be that opportunity, but I think it'd probably be almost cheaper if it's just a local problem just to go in, dig it up, and fix that segment as opposed to replacing the whole line from manhole to manhole. That might be 300 to 400 feet long.

vvv. Fred Montes de Oca stated about these cameras, have they used them through the whole system to see if the whole system needs to be replaced?

www. Lucas Tipton, Farr West Engineering, stated no, we haven't. That's why that first project for \$280,000 there is to do a system condition and I&I survey, going in with a camera, so that we can confirm that these are the pipes really in as bad of shape as we think they are.

xxx. Fred Montes de Oca asked so in other words, if there's one section that's good and another section that's bad, and on and on and on, this new system that you're going to be putting it in and making a different kind of pipe, is that going to work with new and old?

yyy. Lucas Tipton, Farr West Engineering, stated yeah, because if there was let's say 80% of this one section of line and is eligible for the CIPP technology but there's just a part that's completely collapsed, that you can't expand the pipe in, we would just go into that section of pipe, replace it with new, and then do the CIPP through the whole thing. And we've accounted for that in our cost estimates, assuming a dollar amount that would go toward doing these spot fixes, so that you could do CIPP for the whole line between manholes.

zzz. Fred Montes de Oca asked so that hasn't been done yet, the camera?

aaaa. Lucas Tipton, Farr West Engineering, stated correct. Back to the grant dollar comment, yes, grant dollars or any type of interfund transfer or loan could change the projects that are identified on this list, and that wouldn't impact the current debt limit that the City has per charter. The assumptions and the key information that went into setting the sewer rates was, once again, we had a separate \$1 million starting cash balance for sewer. We're proposing three primary capital improvement projects over the study period, totaling just over \$6 million, and the sources of funding that the model took into account is \$2.23 million of ARPA funds, so that exhausts the remainder of ARPA funds, a \$3.25

million loan from USDA, and then using a little over \$800,000 in system reserves over the next five years. And similar to the water, when we look at when projects are going to occur and what sources of funding have been identified for them, the first two projects are using system reserves as funding, and the third, the large Priority 1 Pipe Replacement Project, is using a mix of financing loan and grants. However, as you can see from this chart, there's still an amount that looks to be unfunded because of that debt ceiling. However, we're still recommending leaving the project total as is because as you engineer the project, you can reduce project quantity. So basically, if we were going to replace 7,000 feet of pipe and we were estimating prices were going to come over the available funding, we would reduce that down to 6,000 feet of pipe, or 6,500. There are also some techniques we can use when we bid it in creating bid alternatives, so you get a good competitive market price on your construction but you only award the amount up to your available funding.

bbbb. Mayor Holbrook stated and also if we do get some more grants or some more money, we can cover that fund with that if that comes in.

cccc. Karla Jones stated the USDA loan that you got on the sewer, you said we'd already applied for that in the water. Is that also in the sewer? Is it a grant or are they two separate grants?

dddd. Lucas Tipton, Farr West Engineering, stated two separate loans. So, it's with USDA. We're hopeful that they're going to come out with some programs as well in reaction to this infrastructure bill.

eeee. Karla Jones asked but we haven't applied for the sewer one yet?

ffff. Lucas Tipton, Farr West Engineering, stated we haven't applied for sewer. Water you have applied for and have received. Tipton referred to presentation slides of depictions of system revenues and expenses. He stated hitting on the comment of we raised rates before and what happened, I can't fully speak to that because I wasn't part of that, but also because your rates and the funds were intermingled, expenses and revenues were never being tracked separately, so it's kind of just an arbitrary we're raising rates without a real plan. Now, when the City moved the two separate Enterprise Funds in the summer of 2020, so they're tracking water and sewer separately from street lights and garbage, and so while the unit rate is still the same as it was back then, at least we're creating a record so that we can look back and say this is what has been completed, this is how this has performed financially over the past five years, so that hopefully we're making improvements.

gggg. Mary Ann Tillman stated I don't know what the ARPA is that government funding?

hhhh. Madison Mahon, Carlin City Manager, indicated it was American Rescue Plan Act, so it was a federal bill that was passed in Congress to allocate money to all municipalities in the United States. It was allocated by population, so every city and municipality in Nevada got their fair share per population. So, we got an adequate share in comparison to say Reno or Las Vegas by population.

iiii. Mary Ann Tillman asked and there's no government funding available?

jjjj. Lucas Tipton, Farr West Engineering, stated we think there's going to be

additional funding, like just even the State of Nevada received ARPA funds that have not been attached to projects yet, and we're working with our partners to hopefully see if there's some of those dollars that can be put toward infrastructure improvements. And once again, that would be 100% grant. Tipton referred to presentation slides showing the proposed rates for the sewer system through fiscal year '26. He stated similar to the water utility, these rates were developed using a cost-of-service analysis. So, like, let's take RV for example, on the water side, we looked at what's the difference between an RV's water use as compared to a single-family residential property water use, and really that's outdoor irrigation. So, we equated with the City's winter time water use where you're not irrigating and applied that to the RV and saying that's what they're going to use year-round. Additionally, I think we even made an adjustment from, I think the City averages about 2.5 people per household, whereas in an RV, it's probably no more than two people, so we took that down to per person water use per day or per person contribution to sewer flows and then applied that as two people for that type of customer.

kkkk. Jeremy Neill stated so after 2026, are the rates just staying that, or they going to increase through the years? I mean, with the infrastructure getting better, obviously maintenance and operating costs should go down, correct?

llll. Lucas Tipton, Farr West Engineering, stated yeah, you should reduce some of the emergency repair services, supplies, costs, that you're seeing to do these spot fixes on your aging infrastructure. However, there's still quite a few capital projects that aren't being funded and pursued at this time, and you'll see it on my recommendation slide, at a minimum we recommend beyond fiscal year '26 attaching your rate to the Consumer Price Index, so at least adjusting for inflation on an annual basis. Because that's what happens, if you're not adjusting at least for that, you get behind. Ten, twenty years, and now you've got to do 50, 100% rate increases.

mmmm. Mayor Holbrook stated it should go up to here and then it should sort of level off, well, depending on what inflation is, right? We don't know what's going to happen; hopefully we get it under control, but hopefully it would get back down to like a couple percent, so then that rate would be one or two percent. That has caused us a little bit of an issue here because we have not had a rate increase in, I think six years or something like that, so really, we should have probably been doing it one or two percent a year and then it would have taken this down a little bit if we would have been doing it because there would have been more fund balance. You didn't see, we have a little bit of a fund balance; it's just not much in the scheme of how much money we're looking at how much we owe to get our system up to new. But it should level out when it hits 2026, drop down, we're getting up there, and we're going, and hopefully we do get some grants, and we get some other things to get some of these projects going. And we really are, that's the focus on this Council, why we started this a few years ago. We want to get some of this money put into the ground so we're not sitting here, because we have built up a little bit of a cash fund, but essentially, we went from a couple million dollars in reserves, but then with inflation essentially, we weren't doing anything, so we've got to get it in

the ground by starting here. And then hopefully we're getting these projects moving forward and as the government is putting some infrastructure money out there, we're set to say hey we have projects that we can hopefully come in and get some help on it. But right now, we've got to go off what we know we have, and that's what we're basing this on right now, is what we know we can do with what our constraints are with the 20% funding.

nnnn. Mary Ann Tillman asked what are we looking at now as far as an increase, how much, and when would this start?

oooo. Lucas Tipton, Farr West Engineering, stated this column under '22 would start in probably March of this year. Normally everything would adjust in July 1 of that fiscal year, because we're behind, residential would move to \$43.72, as the year rate starting in March. And then, because we're halfway through this year, in July it would move to 53.78, but then July 2023 it would move to 57.88. It should be annual increases.

pppp. Some discussion clarified that these numbers are just for the sewer rate, and that there are separate charges for other utilities on the total City bill.

qqqq. Lucas Tipton, Farr West Engineering, referred to presentation slides looking at towards the end of the period, at sewer system reserves showing that we don't reach a deficit in any one year, and then the last item I want to share is talking about affordability of rates. So, the EPA puts out guidance on utilities and on rates and they have a good rule-of-thumb saying that any rate over 2 to 2.5% per utility, so that would be just water only, out of the community's median household income would be deemed unaffordable, or a combined user rate below 4.5% for both water and sewer. In the 2019 Census, the Carlin median household income is \$78,929, which at 2.5% of that would be \$164 per month for just one utility or a combined \$296 per month. The rate adjustments that are being presented to Council at the very end of fiscal year '26 would only be a combined \$161 per month, \$94 on the water side and \$67 on the sewer side.

rrrr. Some discussion clarified about paying garbage and street lights as still additional on the total City bill since this presentation is only focusing on water and sewer, as well as the calculated total City bill once rate changes are applied.

ssss. Lucas Tipton, Farr West Engineering, stated in review, the recommendations that Farr West is making to the City is to implement these water and sewer rate adjustments through fiscal year '26. And this goes to the comment of what happens after, we're also recommending that the City following that ties the rates to the Consumer Price Index, so that would be an annual adjustment of the Consumer Price Index for the Western region. It's usually around 2%. Some years it's 1. This year it's going to be higher; it's going to be 4, because national inflation is really high. We're all dealing with that. We're also recommending that the City reevaluate their rates in fiscal year '25 because we have such a limited history of accurate financial data. Every utility should be on a five-year cycle of looking at their rates and making sure they're appropriate, so they don't get behind, because it is so hard to have that drastic change. If the debt limit were to be changed or specific external funding is pursued and acquired that brings in grant dollars, we can quickly and easily

update the rate model with that information and run simple analysis, it doesn't have to be a full-blown rate study, so that the City can evaluate some of these options that might become available here over the next five years. I'm also recommending that the City should reconsider the debt limit, and the appropriate value because right now we are seeing it's an unprecedented time for receiving some of these funding programs. There are more dollars than there's ever been. Rates are lower than they've ever been; you're paying just over 1% with the State Revolving Fund for some of these loan dollars, and if there was a chance to take on more debt, additional projects could be billed for a little increase in cost over just paying out of cash.

tttt. Vice Mayor Litchfield stated I can feel your emotion out there, and believe me, it's not falling on an inhuman being. I think we all on Council here feel the same way that this is a hard pill to swallow sometimes, and when you look at the hard numbers and go, my rates are going to go up this much? Unfortunately, we didn't have a proactive Council years ago, so this put us in this situation we're in. Believe me, we're not the only city across the United States that are in the exact same position that we are right now. There are cities out there that are looking at it and going how are we going to do this? We can't finance this. Our citizens are going to be without water; they're going to be without a sewer line that works and stuff like that. Luckily, we're in the position where we can do some stuff to help facilitate the utilities for our citizens. It's going to be absorbed by everyone. I wish there was a way that we could just go, let's just go ahead and replace the water lines here with a check, type thing, but we don't have that. And one of the letters here said that we're going to pass this on to our kids. Yeah, we're going to pass on a fund to them that when this happens 40 years down the road, when we're not here, they're going to look at it and go, thank you, City Council, because we now have the money to replace these lines.

uuuu. Mayor Holbrook stated or they have lines that are working. What we're looking at is trying to get some new stuff out there in the ground.

vvvv. Vice Mayor Litchfield stated we're trying to be proactive and not reactive. And when you look at the main transmission line that comes under the interstate, think about that; if our main water line underneath the interstate broke, we have no way to absorb that kind of cost.

www. Lorrie Haub asked so are you guaranteeing it won't break?

xxxx. Vice Mayor Litchfield stated no, I can't say that. I can guarantee that it's going to be a new line underneath there; it's not going to be an old line.

yyyy. Mary Ann Tillman stated I think we should actively pursue the grants as much as we can because that's very important to us, any grants that we could possibly get.

zzzz. Vice Mayor Litchfield stated and we are. The City's looking for those all the time. Farr West is looking for us. We don't turn down money at all. We look for it constantly.

aaaa. Lorrie Haub stated so if we do get them, does that mean the rate would not go up so much? Because I think once this starts going in, it's not going to, grants are not going to help.

bbbbb. Mayor Holbrook stated that's why we are looking at the recommendation

that in 2025 that we look at the rates because we have to do these two or three years. Also, I think that the recommendation to look at our debt ceiling of 20%, which that I believe we have to go through the Legislature, right, LaDawn, to actually change the debt ceiling?

ccccc. LaDawn Lawson, Carlin City Clerk, stated yes, you do.

ddddd. Mayor Holbrook stated so that'll take some time. I think the 20% is something maybe we need to look at trying to adjust, but it's going to take a few years to get that looked at, and that'll have to come up on some other agendas and that. But I think that's a good recommendation because if we could spread this out, just like doing a 30-year loan instead of a shorter loan, it would help us, too, in the long-run, so I think we have to be looking for the future.

eeeee. Lucas Tipton, Farr West Engineering, stated that one thing I want to add is with other communities we work in is that this resolution provides the ability for a council to adjust rates up to the set amount on those years, but they don't necessarily have to. So, one community, Incline Village, when COVID hit, they chose not to adjust rates because things were so unknown. So, if conditions happen to change in three years, that \$20 million becomes available of grant funding or something to take care of this, Council can take that into consideration and choose not to increase rates. I don't want to make any promises. I'm saying that if conditions change, it doesn't mean that they have to increase rates to these amounts.

fffff. Lorrie Haub stated because it's 200% in five years. That's a lot.

ggggg. Jeremy Neill asked what happens if you have a mining bust? If we have a mass exodus of people, how is that going to be paid for then? Are the remaining homeowners, people that stay here going to absorb all that cost?

hhhhh. Mayor Holbrook stated that is a risk but that I think has been the whole reason why haven't taken these risks in the years past and instead we've been waiting. Everybody keeps putting it off and waiting. But that's why we didn't do this sooner, and honestly if we would've done this ten years ago, the costs have this year went up just by waiting this long. So somewhere along the line we have to say we're doing it. And if something like that, where we really have a total bust or something, that's probably going to put the City in an issue and the State's probably going to have to come in and help, but hopefully it doesn't come to that. We don't want that.

iiiiii. Karla Jones asked in regards to the standby, so they said that the standby would be on all properties, correct?

jjjjj. Mayor Holbrook stated on unimproved properties or on properties like, right now people that shut down and leave in the winter, they can just turn their water off, their sewer off, and they pay no rate at all. This will be a standby rate so even if people are gone in the winter there will be a set rate; it won't be the full rate.

kkkkk. Karla Jones asked so this is for properties that don't have anything on it? Yep? And the properties that do have something on it.

lllll. Mayor Holbrook stated and it would be the same.

mmmmm. Karla Jones asked but what about like the storage sheds? They currently don't have, but they have access to have it put in there.

nnnnn. Mayor Holbrook stated I believe that would be just the one standby rate on the property itself. It wouldn't be like each one.

ooooo. Karla Jones stated so they'll get a new bill, because they don't pay that now.

ppppp. Mayor Holbrook stated yes, there will be. And that is some of spreading this out, the rate increases out also. When I look at something like that, it's also an encouragement to develop property. If you have property and it's just sitting there, you're going to be paying for sewer and water and it might be worth your time to put a house on it and rent it out or something. That's an encouragement to develop your properties that are just sitting there.

qqqqq. Jeremy Neill stated well on that note, with the development of properties, will this new system handle what you guys want to do in the future for development of properties and more homes and like the thing across the interstate? Is that accounted for in this project, like it's going to be able to handle more infrastructure?

rrrrr. Lucas Tipton, Farr West Engineering, stated yeah, we've taken into account reasonable growth. We've looked at some of the growth plans in the City in order to attach, but these projects aren't being driven by growth. So, if some new development came out next year where 10,000 homes were being built north of the freeway, that'd be a game changer. But how you'd address that is that that development should be paying for those improvements across your system.

sssss. Karla Jones stated with planning and zoning, we were talking about that same thing. So, this that you guys have now broke out, we have water in one, and we have sewer in the other. This money cannot be allocated to go to the historical center or to the fire department. It stays just like it does in the cemetery fund, right, or the parks and rec fund, this is just strictly for water and sewer, right?

ttttt. LaDawn Lawson, Carlin City Clerk, stated yes, and I want to make it clear that the utility fund is a proprietary fund and by the NRS, at the state, it has to operate in the black. It cannot operate in the red. And part of the utility increases that we had seven years ago or five years ago, they were 3% for each year for I think four or five years, and part of that was to get us out of the red so that we would be in compliance with the NRS. So, this money that goes into the utility fund cannot be used for anything but utility fund.

uuuuu. Councilperson Kinney stated seeing that household median income is why it was so critical to participate in the US Census, so we could get that number accurate and also the number of people that are actually living here accurate so we can get more of those funds like the ARPA fund.

vvvvv. Lorrie Haub stated well we moved from mining to retirement.

wwwww. Mayor Holbrook stated I'm hoping to be joining that group myself here in the future.

xxxxx. Fred Montes de Oca stated I've asked this several times. Nobody seems to care about it, but the people that actually help this town are landlords, people that have rentals, or businesses that actually keeps this town together. And a lot of them people have been run off because of the same thing that's going to happen. But I've also said, why don't you go back to where the renter pays for

the bills? There would be no difference than what it is right now, because if they don't pay, the landlord still has to pay. So that's going to run off a lot of people and they're going to say well heck with it; we're moving to Elko. It's been happening for many years. But this way, it's just like trailer parks. Right now, in order for a trailer park owner, he has to give a 90-day notice to increase the rates. But if it went to the renters, they're going to pay for that. But the thing is the trailer park owners or people that have rentals, they're going to have to raise the rent and people are going to move to Elko, Battle Mountain, Wells. That's been happening for a long time. You better think about that.

yyyyy. Councilperson Kinney stated my comment on that is that the landlord is the owner of the property, correct? So, they are responsible for paying the bill, and they're responsible for charging the appropriate amount to the tenant, correct?

zzzzz. Fred Montes de Oca stated what I'm trying to say is, regardless whether that renter pays for the water and sewer, if he doesn't pay, the landlord is responsible. That's an ordinance that you guys have, so what's the difference? So, this is what's going to happen: everybody's going to have to increase the rate. They're not going to stay here. They're going to move.

aaaaaa. Elaine McCrury asked so is there a way to put the renter as the person to pay the bill? I just moved here less than a year ago.

bbbbbb. LaDawn Lawson, Carlin City Clerk, stated at one time it was that way, years ago, and we put it in renter's name. And the renter would move out, and then we'd have trouble with the landlord because he doesn't feel the bill is in his name and he shouldn't pay, number one. Number two, we a lot of times didn't know that they'd even put a renter into that home, and so we were constantly changing people in and out of a rental. And other cities do it this way, and so we decided to change our ordinance and to make the property owners responsible. He's going to have to raise his rent, yes, to cover the bill, but I'm going to have to raise my budget to cover my bill at my home, and you are, too, so why is it any different? I don't want to be responsible, I'm not a landlord. Why should the City be responsible to take care of that property that they want to rent?

cccccc. Fred Montes de Oca stated I've got a comment on that, and that is every landlord or anybody here that's doing business, they know what the ordinance is, so if they don't want to pay, it's no different than putting a lien on it. They're going to pay it if you put a lien on it, but for what I'm trying to say is, why should you put the burden on the people that are actually making this town?

dddddd. Councilperson Kinney stated because they're responsible for the property; they're the owners, just as they are responsible to pay the taxes on that property.

eeeeee. Fred Montes de Oca stated well they don't have to. Yeah, they can still do that, but the thing is, why not do business somewhere else?

ffffff. Mayor Holbrook stated thank you.

❖ **Motion:**

Vice Mayor Litchfield moved to close the Public Hearing for the utility

rate increase. Councilperson Kinney seconded the motion at 8:30 p.m. Motion Passed.

- B) Presentation from Lucas Tipton, Farr West Engineering, on the utility rate study and the proposed water and sewer rate increases (Non-Action Item);

Agenda Item 2B was combined with Agenda Item 2A and presented during the Public Hearing (see above). Non-Action Item.

- C) Review, discussion, and possible direction to staff to draft a Resolution and/or Ordinance to amend the water and sewer utility rates (For Possible Action).
- a. Mayor Holbrook stated this is after this discussion, this would just be to put a resolution together and then we'll put it on the next meeting and bring it forth again and see if you want to move forward with the proposals.
 - b. Lorrie Haub stated I just wanted to say that some of his numbers on there were different from what I got off of the website for the amounts. Some of them were I think less, and I don't know if his new rate thing could go up there. Not now, but if it could be revised.
 - c. Councilperson Kinney asked is it not on the City website?
 - d. Lorrie Haub stated well, the numbers I have, some were different than what he had there, off of the City website.
 - e. Councilperson Kinney asked right, the numbers you're getting are from the City website?
 - f. Lorrie Haub stated yes. So, I don't know, if his numbers, some of them were different, maybe they can be—
 - g. Councilperson Griswold stated they were different from the sewer side because they lowered that amount down.
 - h. Karla Jones asked can we get that presentation put on the website?
 - i. Mayor Holbrook stated I believe Madison is working on that, so yes, we will try to get it out there so people can review it.
 - j. Councilperson Kinney asked will you also send it to us, Madison?

❖ **Motion:**

Vice Mayor Litchfield made a motion to direct staff to draft a Resolution and/or Ordinance to amend the water and sewer rates for the City of Carlin. Councilperson Kinney seconded the motion. Motion Passed.

3. Storage Tank Transmission Main Line Water Project (For Possible Action):

- A) Review, discussion, and possible approval of the Farr West Engineering contract agreement for the Storage Tank Transmission Mains project.
- a. Mayor Holbrook stated this is actually moving into, if we want to be considering moving forward with this, we have a contract with Farr West. I guess when I looked at it, it appears that we haven't approved actually moving forward with this. If we're

going to approve this engineering contract, we want to make sure we approve it with the understanding that it's only valid if we actually move forward with these projects, because we're not that far along yet.

- b. Councilperson Kinney stated I just noticed there's a lot of strikethroughs on the exhibits. Is that something, did the city attorney do that?
- c. Madison Mahon, Carlin City Manager, stated the City Attorney did not do the strikethroughs. I got that directly from Logan. And Carlos and I both reviewed it and didn't see any issues with it. Did you have any comments on it?
- d. Carlos Esparza, Carlin Public Works Director, stated no, it seemed pretty standard.
- e. Logan Jensen, Farr West Engineering, stated that document is kind of a general document. A lot of the strikethroughs are what the USDA requires. There's specific strikethroughs as far as like on the scope of work that is just stuff that we aren't providing. There's a lot of strikethroughs because it covers preliminary engineering.
- f. Councilperson Kinney stated so this is just kind of a generalized contract; the strikethroughs are just to cater towards us.
- g. Logan Jensen, Farr West Engineering, stated yes. And a lot of them were based on USDA requirements.
- h. Councilperson Kinney stated because we haven't approved any projects, we're not sure whether we're going to pursue USDA or that, so that's why you did that, correct?
- i. Lucas Tipton, Farr West Engineering, stated this one is for that USDA water loan. So, USDA has specific corrections to the contract, and that's what you see with the strikeouts and the added language.
- j. Councilperson Kinney stated so these are their corrections to make it qualify for that.
- k. Lucas Tipton, Farr West Engineering, stated correct.

❖ **Motion:**

Vice Mayor Litchfield made a motion to approve the Farr West Engineering contract agreement for the Storage Tank Transmission Mains project with a stipulation of approval of the Resolution and/or Ordinance of the utility rates. Councilperson Kinney seconded the motion. Motion Passed.

4. 2022 Election Proclamation and Resolution 2022-01, Resolution 2022-02 (For Possible Action):

A) Review, discussion, and possible approval of the 2022 Election Proclamation;

- a. Mayor Holbrook asked LaDawn, this is just moving forward with the elections of Mayor and City Council, right?
- b. LaDawn Lawson, Carlin City Clerk, stated yes, per our City Charter we have to set a proclamation in place stating that we're going to hold a general election.

❖ **Motion:**

Councilperson Kinney made a motion to approve the 2022 Election

Proclamation. Vice Mayor Litchfield seconded the motion. Motion Passed.

B) Review, discussion, and possible approval of Resolution 2022-01, A Resolution that notice of time for candidates to file declarations of candidacy for Carlin City General Election on November 8, 2022;

- a. Mayor Holbrook read into the record Resolution 2022-01. This is City of Carlin, Nevada, Resolution No. 2022-01, a resolution that notice of time for candidates to file declaration of candidacy for the Carlin City General Election on November 8, 2022, be given by the City Clerk substantially in the manner following: Notice of time for candidates to file declaration of candidacy for Carlin City General Election November 8, 2022. Notice is hereby given that all persons wishing to be a candidate for the following offices in the Carlin City Election to be held in and for the City of Carlin, Nevada, November 8, 2022, must file a Declaration of Candidacy and pay a \$25.00 filing fee at the City Clerk's Office, Carlin Administration Building, 151 S. 8th Street, Carlin, Nevada: A Mayor, who shall hold office for a period of four years, until the 2026 election and until his or her respective successor has qualified. Two Councilpersons, who shall hold office for a period of four years, until the 2026 election and until his or her respective successor has qualified. Any interested Candidates must file the Declaration of Candidacy no earlier than 8 o'clock a.m., Monday, March 7, 2022, and not later than 5 o'clock p.m., Friday, March 18, 2022, as provided for in the State of Nevada General Election Laws. No person shall be a candidate or have his name printed on the Official Ballot for such election unless such person has timely filed such Affidavit of Candidacy and paid the \$25.00 filing fee.

❖ **Motion:**

Councilperson Kinney made a motion to approve the Resolution 2022-01. Vice Mayor Litchfield seconded the motion. Motion Passed.

C) Review, discussion, and possible approval of Resolution 2022-02, A Resolution that the City Clerk is authorized and instructed to cooperate with the County Clerk of the County of Elko in all matters pertaining to City of Carlin registration and election, and to have all necessary printing done, publications made, ballots prepared, etc. as shall be proper and lawful under the circumstances.

- a. Mayor Holbrook read into the record Resolution 2022-02: City of Carlin, Nevada, Resolution No. 2022-02. Resolution that the City Clerk is authorized and instructed to cooperate with the County Clerk of the County of Elko in all matters pertaining to City of Carlin registration and election, and to have all necessary printing done, publications made, ballots prepared, etc., as shall be proper and lawful under the circumstances. Resolved: That the City Clerk is authorized and instructed to cooperate with the County Clerk of the County of Elko in all matters pertaining to the registration and election, and to have all necessary printing done, publications made, ballots prepared, etc., as shall be proper and lawful under the circumstances.

Resolved: That as to any and all acts performed by the County Clerk of Elko County in connection with the registration and November 8, 2022 election, as may be required by law, the City of Carlin shall reimburse said County Clerk for all proper expenses for which said City of Carlin may be chargeable.

❖ **Motion:**

Vice Mayor Litchfield made a motion to approve Resolution 2022-02. Councilperson Griswold seconded the motion. Motion Passed.

5. NDOT Request for No-Fee Permit (For Possible Action):

A) Review, discussion, and possible approval of a request to NDOT for a no-fee permit to allow for additional fire zones and no parking zones on Chestnut Street.

- a. Mayor Holbrook stated I'm recommending that we put this off 'til the next meeting and bring it back with a little more clarity on this. Essentially, what this is, is that there's been some complaints about where the trucks are parking up on Chestnut and noise and back and forth. The way we have this in here, it's not real clear because of fire zones and all that. I would like it to be brought back with the actual areas of where we're at and what we're going to request of NDOT, and to make sure that people are aware that we're going to discuss it and maybe say that we don't want between 8th and 10th or something, no parking overnight, and I just want a little more clarity in the agenda item to discuss this.
- b. Vice Mayor Litchfield stated if we're going to table it, I'd like to clarify that it'd be from like 13th to 3rd.
- c. Mayor Holbrook stated and that's what I want in there, the areas, and to bring it up with a little more.
- d. Steve Wilkinson stated right now we have no signs between 6th and 8th Street. Between midnight and 5:00 in the morning, it sounds like a train wreck out there. Jeremy just showed pictures to Madison last night. There are ten trucks out there just banging, bashing. If you don't do something, they're going to ruin that street. It'll look just like from Pilot to the cemetery and Bush to Fir. I've been dealing with Madison quite a while. She issued an email to the Chief to issue citations, warnings. This has been since November. How many things have been issued?
- e. Mayor Holbrook stated I have discussed with Madison. My personal opinion is yes, there should be something restricting the middle of the night traffic and parking of the trucks. I am in favor of doing something. I just want it on the agenda to make sure it's a little clearer, that we're going to discuss requesting to NDOT no parking zones for certain time periods, that's what we're actually trying to do, it's not fire lane.
- f. Steve Wilkinson stated right now between 6th and 8th street, there's no parking. Well, if you go there at 3:00 in the morning, cops aren't busy every night at 3:00 in the morning, I can tell you that.
- g. Mayor Holbrook stated he would like it put correctly on the agenda, not trying to put it off.
- h. Vice Mayor Litchfield stated that part of the thing with the fire zones, I've seen it up here at the post office, where we have a fire hydrant sitting right there. It's painted

red on the curb and UPS will drop their trailer right there in front of the fire hydrant, and it's like, okay, why aren't we towing this vehicle out of here? After I saw the agenda, I drove down Chestnut that night, and the entrance into the carwash, now I know it's cold and people aren't going to go in there washing cars at 7:00 in the evening, but there's a triple parked all the way across the entrance into there, and it's like, alright, well, if you want to go into the carwash right now you can't because the entrance is blocked. They don't have any concern, the truckers don't out there.

- i. Jeremy Neill stated I live next door to Steve. I've had an incident where I went to respond for the fire department, and I got a triple blocking my driveway and I had to go over the curb and get in an argument with the driver. And I don't know if that's a truck route through there. Is it a designated truck route?
- j. Mayor Holbrook stated that is some of why this is needing to come to Council and actually go to NDOT. You see there is parking lanes, it's not painted red, possibly those are not NDOT's signs that say no parking up there. We need to get NDOT's buy-in, and it should come from the Council, and if it comes from the Council requesting to NDOT that we have no-parking signs up here from 10 p.m. to 5 a.m. and then NDOT comes in and we've requested it, then it's all legal, there's no question that NDOT is aware of it and it's been approved by the Council. And that's where we're trying to go, so then our officers can go up there and handle this.
- k. Jeremy Neill asked is that a truck route?
- l. Councilperson Griswold stated it's a state highway.
- m. Councilperson Kinney stated that's why we have to get with NDOT, because it's not just our jurisdiction; it's also State jurisdiction, so we have to make sure we're all in compliance with all the applicable laws.
- n. Jeremy Neill stated and I know our law enforcement does a great job in this community. I've got on camera just truck after truck, and I see it every day, just exceeding the speed limit during school zone hours, I don't know if it's something that needs to be on this subject and brought to the attention of law enforcement, maybe patrol a little bit more. There are times when there's trucks and I know they are exceeding 40 miles an hour, hauling hazardous, hazmat-type products. There's an alternate route that they could be driving. And I'm not just concerned about my house, but we have a school right there.
- o. Mayor Holbrook stated there has been discussion. The state would really love the City of Carlin to take over that, but then we're responsible for the paving and everything else, so there's give and take on how we can deal with that. Once they did the street, it's nice. I think I have noticed that people are going faster because it's the nicest street we've got running through town and everybody wants to go through there, but that is, yes.
- p. Steve Wilkinson stated it starts about 12:00 noon, right when all the kids are getting out of school and there's various days, I've seen the cops sitting at the carwash just sitting there looking at them. Well, go over there and give them a warning. If you give one or two of those guys a ticket, that doesn't go to their company. That comes out of their wallet and it will quit.
- q. Mayor Holbrook stated and we just need to make sure that it's actually no-parking zone. And I will say that my son has told me that he has been talked to for crossing the street not in a crosswalk.

- r. Vice Mayor Litchfield stated Idaho Street in Elko is a truck route also and if you look up the ordinance for the City of Elko, we can follow the same ordinance, and it basically says it's 600 feet from any entrance into an establishment cannot be utilized for trucks. So, if you take a 600-foot measurement, from, we'll just use 10th to the post office, you can't park anywhere through there. You can't park anywhere down Chestnut because there's not a 600-foot distance there that can be utilized for parking.
- s. Mayor Holbrook stated that's why we want to discuss this also because, honestly, there are businesses in town, and the parked trucks do business with our businesses, but also there is a thing about all night and day, but that's why it needs to be brought up and agendatized a little different.

❖ **No action taken.**

6. Gold Loop Road Waterline Extension (For Possible Action):

- A) Review, discussion, and possible approval of a waterline extension to Gold Loop Road.
 - a. Madison Mahon, Carlin City Manager, stated I think we may have lost Carlos. This waterline extension to Gold Loop Road is for a fire suppression service to the back of Redi Services' property up in our industrial park. So, their new property that they're developing up on Griffin, the back side is adjacent or parallel, I suppose, to Gold Loop Road, so they need to install a fire hydrant at the back of their property. And I was told by Carlos this would be approximately a \$30,000 endeavor to move water.
 - b. Mayor Holbrook stated the City's part of it.
 - c. Madison Mahon, Carlin City Manager, stated they would be responsible for their portion, but what the City would be responsible for is extending from that water tower to their property.
 - d. Councilperson Kinney asked in the confines of what we've budgeted?
 - e. Madison Mahon, Carlin City Manager, stated yes.
 - f. Mayor Holbrook stated and this is something that we're trying to extend out that way for the industrial park.

❖ **Motion:**

Vice Mayor Litchfield made a motion to approve the waterline extension to Gold Loop Road. Councilperson Kinney seconded the motion. Motion Passed.

7. Justice of the Peace Panel for Carlin Municipal Court (For Possible Action)

- A) Review, discussion, and possible approval of the panel of Elko County Justices of the Peace and Senior Justices of the Peace, to be called upon in the event that the Carlin Municipal Judge must disqualify herself or is otherwise unavailable for a Municipal Court function.
 - a. Mayor Holbrook explained that this is just so we can use somebody in a part-time if the need arises, that they have authority.
 - b. Madison Mahon, Carlin City Manager, stated Dee is unable to be here today. She's

traveling this week for training and asked me to place this on the agenda. The list hasn't changed except for updating the current Justices of the Peace and updating Teri as a Senior Justice, and it just allows so that if Dee ever needs to recuse herself or she's ill someone can step in for the Municipal Court.

❖ **Motion:**

Councilperson Kinney made a motion to approve the panel of Elko County Justices of the Peace and Senior Justices of the Peace. Councilperson Griswold seconded the motion. Motion Passed.

8. APPROVAL of Expenditures (For Possible Action):

A) Review, discussion, and possible approval of City expenditures for the period of 01/08/2022-01/21/2022, and all related matters. The expenditure list is available for public inspection at City Hall, 151 S 8th Street, Carlin Nevada.

❖ **Motion:**

Councilperson Kinney moved to approve the City expenditures for the period of 01/08/2022-01/21/2022. Vice Mayor Litchfield seconded. Motion passed.

9. APPROVAL of Minutes (For Possible Action):

A) Review, discussion, and possible approval of the Carlin City Council Regular Meeting Minutes for January 12, 2022, and all other matters related thereto. Draft minutes are available for public inspection at City Hall, 151 S 8th Street, Carlin, Nevada.

❖ **Motion:**

Vice Mayor Litchfield made a motion to approve the Carlin City Council Regular Meeting Minutes for January 12, 2022. Councilperson Griswold seconded. Motion passed.

10. PUBLIC COMMENTS: (Non-Action Item)

A) Pursuant to NRS 241.020(2)(D)(3) (I & II) this time is devoted to comments by the general public and possible discussion of those comments. No action may be taken upon a matter raised under this item until the matter has been included on a successive agenda pursuant to the required procedures at the discretion of the City in accordance with applicable law and identified as an action item.

- **None.**

11. Adjournment (For Possible Action):

❖ **Motion:**


Councilperson Kinney moved to adjourn at 8:57 p.m. Vice Mayor Litchfield seconded. Motion passed. Mayor Holbrook adjourned the Carlin City Council meeting.

Approved:



Mayor Dana Holbrook

Attest:



LaDawn Lawson, Carlin City Clerk