

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

**February 9, 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 Margaret Johnston
Councilperson Cameron Kinney**

**Staff: Madison Mahon, Carlin City Manager
LaDawn Lawson, Carlin City Clerk**

Public: Denise Taylor
Shawna Buster
Pastor Don Edwards
Lucas Tipton, FARR West Engineering
Valerie Myers
Ella Trujillo
Joseph Harless
Clark Kafton
Melissa Stevens
Russell Nethery
Joey Nethery

Kathy Anthony
Elaine Wescott
Fred Montes de Oca
Tim Ballard
Robert, prospective buyer
Linda Bingaman, Carlin City Fire Chief
Tom Bingaman
Jennifer, KAP Mechanical
Sabra Esparza, Carlin Historical Society
Steve Wilkinson
Debora Repp
Thomas Repp
Amanda Curry
Carla Christenson
Virginia DeVoe
Keegan Baty, Carlin Police Officer

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.

❖ **Non-action item. No action taken.**

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 February 9, 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 and discuss the possible utility rate increase as presented by FARR West Engineering on January 26, 2022. 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 7:03 p.m.

- a. Denise Taylor, state she has lived in Carlin and wanted to know regarding proposed rates how far in the future the city has looked; if there is a strategic plan for what city is expected to look like in 5, 10, 15 years; and if residents will be taxed outside of their homes, that they can't afford to live here. Expressed concerns about affordable housing as national crisis and how Carlin is adjusting and taking that into consideration.
- b. Mayor Holbrook stated that this is being looked at, proposed a few projects, FARR West came in and looked at it; we are looking at projects on water, sewer, as the most important on what we need to make sure. Some of water lines in the city are very old, so we have not been replacing stuff as a city. We've done some work on water tanks getting them up to standards but putting pipe in the ground and upgrading for the future, we haven't been doing it. We must start doing it. Some of the stuff is getting so old that if it breaks, how do you get somebody in here to fix it? We need newer pipes. We can't just plan on calling someone out of Reno to come fix a major water line.
- c. Denise Taylor said biggest concern is yes this all needs to be done, but what is our future plan? Is this a "band-aid" or something that will take care of the next 25 years? Or is it 5 years this, we've got a 3-5% increase continuing on from there? Some of these people are seniors and lower-income, people are going to be taxed out of their homes, we'll have working poor living on the streets. It's a crisis nation-wide. Why isn't our city addressing that with this as well?
- d. Mayor Holbrook stated we are looking at other funding, loans, utility assistance programs. A lot of people in Carlin don't want to ask for utility assistance, but we need to make sure they are getting the help with that. What we're proposing and what FARR West has proposed is moving forward to do three projects. When we get these three then there will be other projects coming and that's why we're hoping we're making enough coming in.
- e. Denise Taylor wanted to know if there is a 10-15-year strategic plan showing those projects and where we're going with them.
- f. Mayor Holbrook stated right now we have a 5-year, but we have a list of the next ones. As these projects start coming off, we'll try to add some other. We have gotten ourselves into an issue with water and sewer. We must do it.
- g. Denise Taylor said it was mentioned on Facebook that we're buying BLM property. Is that part of the strategic plan, to expand the city? If we're expanding the city, how does that fall into what we're already doing? We need to take care of the poor before expansion.
- h. Councilperson Johnston stated to get funding you first must do a PERS report. We've done that. FARR West has gone through our water, sewer, streets in the PERS report and it shows where our weaknesses are, the main things that could happen the

soonest. Now we're looking at how we can fund these things, and how much by law; by law your rates have to be high enough to cover operations and your maintenance. If it's not, we're not in compliance with the state. By law we must be. That's what we're looking at now, how much we have to raise the rates to come into compliance with the state. That's the bare minimum we have to do.

- i. Vice Mayor Litchfield stated that we have also identified where we will be able to take care of the infrastructure through the entire city and that was one of FARR West's objectives to see what it will take to get everything underground fixed in the city. So, a 10–15-year plan is there but the formality behind it's not there; we have the steps to go and each project to go but we don't have the individual "this is how this is going to go". As far as property, when you write up an agreement with the developer you can put that in the agreement that he takes care of his portion of the infrastructure so we're looking at that also. They'll be required to put that in.
- j. Mayor Holbrook stated why we're looking to buying property is that one of the issues that we have as a small community by not growing and not getting more people we have a smaller pool who is paying. We have smaller amounts and to run the utility like the water and sewer there are fixed costs for doing stuff. Elko can run their utility system and run some stuff through the sewer a lot cheaper than we can because they have 20 to 30,000 people that they are putting in so for each individual person that you add in for a water or sewer system it's not as much as that initial. We have an initial 500,000 a year just to make our system run whether we have 100 people or 1,000 people. So, the more people we have in the city the more it can expand out the rates, so we are sharing the cost. So, if we had 15,000 people in the city our rates would be lower because we would be able to have that many people all adding five dollars it adds up a lot more money to it. I moved here because I like small towns. I didn't want to do it. The only thing I see is that the state is not helping rural communities. I have seen all the emails from our representative about helping smaller communities. I have not seen money coming in. To them, the way I feel is that it's the votes. Every time they do these tax adjustments more money gets pulled from these smaller communities and it goes out into Vegas. If you're in Las Vegas or Reno, you have in one block as many people as in this city. So, the utilities and infrastructure to run that is way cheaper than what we do. We're spread out. So, buying property I feel as Carlin that we need to get more people here. We must expand. As much as I would love to stay as a small community, I think we have to get more business and people in. I have been trying to do that. We have some positive things going but we must get even more. This really shows me that we really need more people in this town. The more people we have putting into the system the more we can spread out these costs to more people.
- k. Shawna Buster asked with the new system if our local workers are going to be trained to operate it or are we going to have to if something breaks down wait for somebody to come from Reno or Salt Lake to fix it.
- l. Mayor Holbrook stated that putting in the newer stuff and newer pipes are easier to work on than some of our old.
- m. Shawna Buster doesn't want the entire town sitting here for three or four days because they are too busy in Salt Lake or Reno and none of our local people know how to fix whatever they put in.

- n. Vice Mayor Litchfield stated that newer technology is a lot easier to work on than the older technology and locals will be able to fix our breaks.
- o. Mayor Holbrook stated hopefully we don't have as many. That's the whole thing.
- p. Pastor Don Edwards referred to passed legislation. Shared concern how long does it take us as a community to access some of that. They say that is there to help in the most rural areas and smaller communities. I was in Elko today watching them run fiberoptics. We could really use even that here in Carlin.
- q. Councilperson Kinney stated unfortunately Nevada Gold Mines put \$10 million toward that project and Carlin was not included in that.
- r. Mayor Holbrook stated it does take time for that. We as a city are hoping. They are still talking on some stimulus but today I'm reading that maybe tomorrow they are going to do a half point interest rate on any loans. If they are going to do stuff like that, they're not going to give out the money. But if it, is we're hoping we're going to get some more money and of course if we get some more like we just received and are putting into this that if we get some in the future that we can take it and put it in here and mitigate some of the costs that we are all seeing right now. But we don't know, and we can't plan on promises from Washington essentially. What we're working on here is a plan that if we do it, this is where we can move forward and start putting some pipe in the ground out here. Hopefully, some of these promises come through and then we can revisit what's going on and adjust things accordingly. But I'm not going to adjust rates according to what they're telling us they are going to do. We must go off what we know right at this time and at this moment.
- s. Councilperson Johnston shared concerns could we be putting the cart before the horse. The PERS we've got in place. Is there a reason to wait and hold off on the rate increase? 2023 is in July here because we are city and our first of the year starts in July. Would it be to our benefit to do more research? I would like to look more into the trenchless operations they have out there to replace lines they can do nowadays. It's more back East than out here. I don't know if there are any companies yet that we could get to do it. What that does is that it has a pipe bursting technology. It goes in and bursts the pipes and goes underground with the pipes and replaces it as it goes. There is no trenching. I think the savings there could be a lot for a small community like us. There is still more research to be done.
- t. Councilperson Kinney stated that in the presentation that we are getting savings. What you're referring to is CIPP?
- u. Councilperson Johnston stated no, that's different. The CIPP is a liner that goes in. It's not replacing the line. The pipe I'm talking is huge. It goes through and bursts the old clay pipes, and it will pull the pipe behind it, and it replaces the line. It's not lining it. Some of that lining doesn't work well with what we do out here, snake the systems and that. We have already approved going through our sewer systems with the cameras and looking to see what all needs done. If we had that done, we will have a better understanding of what are the exact needs of our sewer systems.
- v. Lucas Tipton, FARR West Engineering, added that Councilperson Johnston was correct about pipe bursting versus CIPP, or cast in place pipe. They are two different technologies. They are both trenchless. Pipe bursting, however, you must dig a driving pit and the receiving pit so doing that at every manhole would not be very

efficient for the sewer project. So that's why doing a cast in place pipe for the sewer project is much more efficient. For long water lines, however, yes, pipe bursting is common, and we do it all the time. Local contractors here in Nevada have that technology and experience. I did it in the community in Virginia City, Nevada, in a rural community before. We could look at that for the water. The one issue with the water project that we are pursuing currently are the transmission mains to the tank. One of the things that we are looking to do is to realign one of those lines to move the line west because right now it goes under private property. With pipe bursting, it's going to go exactly where the existing carrier pipe is. The second item is that right now your pipe goes underneath the highway without any protection. It's just your transmission main with backfill or dirt around it. What we're proposing to do is drive a carrier pipe and then put your pipe inside so that it is protected if there's any seismic activity or even excavation in the future if they are doing a highway project and somehow, they hit it, they are going to hit that carrier pipe before they hit a transmission main and cut the town off from water. Just in summary, we are aware of these technologies, we can consider them proportions in the design phase and reduce project costs which would ultimately reduce the amount of dollars the city needs to be lent to construct these improvements.

- w. Valerie Myers wondered if the city was charged for this study from the company and if that keeps you from getting other estimates from other companies to see what they can do or if they can do more, go further in the plan for less money, for the same amount of money. What if another company can do better?
- x. Mayor Holbrook stated that this is just our engineering company that the city had do the study. If they do the engineering, we still bid these projects out. They're not the ones doing these projects. They just propose these and then they'll be helping us to put out bids for these projects and then people come in and this is how we can do it. FARR West Engineering will not actually be doing the work, they will be doing some of the engineering work.
- y. Valerie Myers asked if they've gotten other estimates from other companies or does the city need to go and search out those companies because we're so small and nobody really knows we're here for them to bid for a better estimate.
- z. Councilperson Johnston stated that FARR West Engineering is our engineers. They work for the City of Carlin. They go out and look for grant funding and they look for EPA funding; that's part of what they do for the city. They're on our side to do all this stuff.
- aa. Valerie Myers stated they are already giving an estimate for these raises in the water bills to be taking care of this project, and the other. Who are giving these estimates, and have they searched out other companies that can give us those estimates? Two, three different companies can do the different projects and we could save money somewhere.
- bb. Councilperson Kinney stated they have done that.
- cc. Ella Trujillo shared an observation that all five of you (the Council) live here and own homes here. I know you guys are not doing this just because you can. You're doing this because it's absolutely necessary. You guys wouldn't be doing this unless it needed to be done. Second, I want to tell the Council that I have a lot of respect for you guys because this could have just been kicked down the road over and over

and over again. That's why we're in the situation that we're in. I'm glad that you guys are brave enough to see it get done.

- dd. Joe Harless stated that the rates are going to double in four years. How many people are going to end up just moving because it's cheaper to live somewhere else? If that happens, we will have a quite a few people leaving, does that mean that the people who stay our rates must go up because they're gone and not paying into it? That would be a fear of mine. I teach at the elementary school, and we plan to set roots. We can barely afford to live in our house as it is, and it'll come to the point where we probably can't afford to live here if our rates have to continue to go up. I see you have a proposed property tax hike and now all this, and I understand and agree that you aren't doing this to scam us. This side of the tracks hasn't been dealt with in over a hundred years. I live on the other side of the tracks and I'm not complaining about my sewer service because it's been great. But the one thing I'm concerned about is if a lot of people leave, is my rate going to have to go up more?
- ee. Mayor Holbrook stated that is a concern, but I honestly believe that these rates are not going to drive more people out, that we'll still be here. Carlin historically, buying property is still a fair amount cheaper than somewhere like Elko. We're talking about property tax rates, and we will discuss that which when you hear it, it will not go any higher than what it is. This is all we're going to be discussing because the bond did not pass. We're not really discussing a tax rate hike. If you lived in Elko and had a comparable house to Carlin, you're going to have a pay more for that home. You're paying a lot more in property tax. So, it is more expensive to live there. A lot of times those are in your loans and people aren't aware of how much more in property tax they're paying. Now when you go to sell it of course there is a benefit to having that but there are costs in Carlin that are cheaper and honestly Wells Rural, we have some low electricity rates. You live in Spring Creek, and you'll see hardly anybody has lawn or grass because if you do water your lawn out there you could potentially be paying much more, so everywhere has its this and that. I'm going to be doing everything I can not to have these go forward what we're proposing, but for us to move forward we have to start somewhere and at some time. As we do this, people are talking about all these grants. I would encourage people if you heard about stuff, you don't have to work for the city, but if you hear about some other town that they got this grant or this loan, we live here and it's all our community. Let's do a little research on our own. Bring something back and help us out. We are a community. When it comes to helping people that aren't financially there, if these rates go up high and people are struggling then let's get them some assistance. There are programs that we can do. We're in a community that we can help each other out and I think that we can do this. I plan on retiring here.
- ff. Councilperson Johnston asked Lucas Tipton, FARR West Engineering, what is the bare rate increase that we could do to get in compliance with the state to operate our systems right now?
- gg. Mayor Holbrook asked could we do these projects and still have lower rates but be pushing the tax?
- hh. Councilperson Johnston asked if we decided to do the first two projects on there, the ones we have planned for this year and next year, if we did them, I think it's \$8.5 million. What would we have to increase our rates right now to pay for those two? I

- know we do have money already set aside for the one project, correct, Madison?
- ii. Madison Mahon, Carlin City Manager, stated that for one of the self-funded water projects, correct.
 - jj. Lucas Tipton, FARR West Engineering, stated what's being proposed right now is the bare minimum for you to pursue the projects that are currently on the CIP. That's not all the projects on your CIP as mentioned before with the 10 year and 20-year plan. There are additional projects that have been identified as a need. However, they are not included because the city doesn't have the capacity to pursue those projects.
 - kk. Councilperson Johnston stated I've been telling the public here that you guys go out and look for grant funding. How much of that have you done for Carlin's water infrastructure, looking at grant funding and loans and all that, and could you explain it a little bit to our public?
 - ll. Lucas Tipton, FARR West Engineering, stated that initially we were engaged with the State Revolving Fund. That's administered through the Office of Financial Assistance as part of the Nevada Division of Environmental Protection. Those dollars come from the federal government through the EPA, and they receive an annual allotment, and they have a whole program, one for clean water, one for drinking water. Think clean water, think sewer. They solicit it for projects every year and they have a whole ranking and categorization system of how those projects are eligible and what type of funding they get from a grant and loan split. They are the agency that originally funded our original study, the Preliminary Engineering Reports. They gave the city \$100,000 to prepare these reports. They were the first agency that we were engaged with. One item that came up in 2019 was when we were completing the reports or very close to completing, is that the city did not have the financial capacity to qualify for any of their loan programs because of the way the water and sewer utility were being operated in that they were part of a one large bulk rate that was combined with streetlights and garbage and that the accurate and detailed financial records did not exist to show that those utilities were solvent and that the utility rates were bringing in sufficient revenues just for the annual operation for staff, for repairs, equipment and chemicals, electricity, etc. And so, when that happened, we immediately switched to another funding agency that we partner with many communities across the state and that's the USDA Rural Development group. They have a whole arm that funds utility projects for rural communities, communities with 10,000 people or less. That's actually who we have received this \$4 million loan through for your water system. The one drawback, the USDA does fund projects with partial grant, partial loan. This project is 100% loan because of where the city's median household income sits compared to other rural communities and compared to the state. It could be deemed problematic or less favorable as if the city had a lower median household income. Additionally, I spoke about this two weeks ago that we are re-engaging with the State Revolving Fund because the infrastructure bill was brought up. There is about \$450 million that the State of Nevada is going to receive over the next five years. It's going to be administered through the State Revolving Fund. About \$375 million of that is for drinking water and about \$75 million for clean water, for sewer. There's still not final guidance out but most of that money is still partial loan dollars. Very low interest loans were

talking 1.2% or 1% loans, but they are still loans. That's one reason why we made the recommendation that the city reevaluate their city charter with the clause that limits the indebtedness that the city can take on, 20% of total assessed value, because if we could take on a little bit more loan dollars, we could also possibly receive up to 50% grant dollars and get more projects completed, half of it being grant dollars which would be favorable for the city. Additionally, there is one other program that I have even less information on, but they were engaged on this on a regular basis. For instance, I got an email today from the Office of Financial Assistance where she wanted to check in and update me on the status of all the programs. Like I said, we're very engaged and we definitely have the city's best interests in mind and we're trying to track down favorable funding. Finally, this last program is part of the bipartisan infrastructure bill; there was \$7 billion allocated water projects. I don't have total clarity on which agency that's going to be funneled through but there is a whole portion of that bill that is supposed to address equity in infrastructure improvements, we talked about treatment that a larger city gets versus the City of Carlin, and economic equity is absolutely a concern or something they've identified in the bills. If there is an opportunity where we can say this is a rural community, underrepresented, their projects need to be included in your funding allocation, we're absolutely going to go forward with it. However, I don't have that information at this time. While those projects aren't currently in the financial model, we can absolutely put them in, evaluate these funding opportunities as they pop up throughout this year, next year, three years from now. That's what FARR West does for the city as city engineer.

- mm. Councilperson Johnston asked the public if we established a committee to look at things out there for funding for the City of Carlin for our water infrastructure and sewer infrastructure, how many would volunteer to become a committee member? Quite a few of you. I can't do it today because we're not agenized on it, but maybe that's something we need to look at, maybe get a committee together to look for sources out there besides what we're doing, with the public involved.
- nn. Mayor Holbrook stated that committee or not, everybody as a citizen of this community can be doing things like that to help and that is what we need to do especially as a small community because we can't afford to pay people all the time to come in and find this money.
- oo. Councilperson Johnston stated that another thing you guys as citizens can do, there's a site out there of the Governor's office. Write the Governor and say you citizens want funding for the City of Carlin's water and sewer, it's too much of a hardship on you. They will listen to that. That's part of the funding they've received, what they want to do with it. If every citizen in Carlin got on there and wrote a complaint and said we need help, they will listen because that's recorded, and they will look. And it might give us a foot and help us get funding. The city council, your city's a small city. Right now, we have three people working in our administration in this town and they're supposed to do all the work. They go above and beyond, and we have an engineer that's looking at things, but you citizens could help us. We're a small city and we've got to back our own selves because nobody out there is looking out for us but us.
- pp. Clark Kafton stated that the last one of these I attended was when they were

determining whether they wanted to close the power plant or not. That was something else that affected everybody in town. There was a big screaming match in here, people screaming back and forth, and it was a terrible meeting. What happened was that they decided to close the power plant, seven people lost their jobs. All seven of them people left; I went to Elko. I was a mechanic. Whenever you're talking about something that affects everybody, there's no way, I live on Social Security only, and there's no way there's any place in my budget for these kinds of increases. Every time the government gives us an increase, they increase our medical cost to match whatever they increase our check so that we don't get anything out of it. What's going to happen to those of us that are on Social Security, we're going to have to move because we won't have any choice.

- qq. Councilperson Johnston stated that there is assistance out there that we have information on it to help with your utilities if you're on a fixed income. If this stuff happens there are programs out there to help you and we as a city will make sure they are available so we can give you help finding the resources needed for that.
- rr. Mayor Holbrook stated we don't want to lose people. That's not where we're going, but we do have a lot of people in this town that we have to keep doing. You're going to move if all of a sudden, our water line breaks, and you don't have water or sewer. If we keep putting things off, I've heard people over the years say we're going to do this for the water and this for the sewer and every time, and it does not happen. We have started these rates and got these going and yes, we're proposing, but we are also proposing that we start moving forward. I was reading on the news and they're talking that the interest rates might go up a quarter percent or half percent tomorrow. What if things keep going up? If we put it off another couple years and interest rates are even higher and with what Lucas Tipton was saying on the loans, what if we don't get in on these? Honestly, we had a few million dollars in our reserves that we are putting out here. If we had spent this a couple years ago that couple million years dollars would've gone a lot further because from last year to this year some of these projects went up 30%. The government can say what they want, that we 5- 6% interest for some things but other things it's not. If we keep putting it off, we're actually losing ground not gaining. I haven't seen any of these projects get cheaper over the last year and if we put it off another year or two, I feel they're going to be even more expensive. Then what do we do? Right now, we're trying to get something in.
- ss. Clark Kafton stated one of the things that they said when they were talking about closing the power plant was that Wells Rural Electric can provide cheaper electricity than we had. The city didn't gain anything because they had to start paying power bills then. I haven't seen the business they said was going to come in because we had lower power. So, what I'm saying is you've got to be careful about these things.
- tt. Councilperson Johnston said she is talking about getting a water committee together with the people, it gives everybody an opportunity, and I'm not saying a long time, but I'm saying July is when our next year starts per the city. That'll be 2023. So, if we passed something like this right now it would be now until July, and then 2023's going to hit you in July. So, I think a committee of citizens looking at all the options that we could come up with, you might not be able to find anything else or any way we can do it cheaper, but if you citizens would come on board with it, maybe you

- can see something we can't. I don't know. Our FARR West guys do a really good job for us; they always have.
- uu. Melissa Stevens asked could you just clarify what the standby fee would be?
- vv. Councilperson Kinney stated the standby fee is if you own property and the property is not developed, if you're not paying water bill on that property, you will now be paying a water bill.
- ww. Russell Nethery stated no you won't, no you won't, dude.
- xx. Melissa Stevens stated so every single person in Carlin that owns a piece of property will receive a water bill. Period.
- yy. Russell Nethery stated billed for no services. That's insanity, dude.
- zz. Councilperson Kinney stated the services are being provided to the whole city.
- aaa. Melissa Stevens asked is that on top of the connection fee they'll have to pay when they get connected then?
- bbb. Mayor Holbrook stated yes, there will still be a connection fee. On Tuscarora Road there is not city water or sewer available in that section of the town so that section of the town would be exempt from the standby fee because water and sewer is not available to that property. If you're in the city limits, that water and sewer fee will be on; if you have property that is available for that property. Whether you're using it or not there are still costs involved with running the system and that does spread the cost out amongst everybody that owns property in this community a little bit more even.
- ccc. Councilperson Griswold stated the property you have that you have your trailer stored on, you're going to have a standby fee because you have the ability to put water and sewer on that property.
- ddd. Melissa Stevens asked even if we were told we couldn't because nobody can live there?
- eee. Russell Nethery stated get ready for some lawyers.
- fff. Kathy Anthony asked if the standby fee is going to be the full price?
- ggg. Mayor Holbrook stated no, that's about 40% of what the fee is.
- hhh. Lucas Tipton, FARR West Engineering, the standby fee was created to only include the cost that were related or that contribute to maintaining viability of each utility, not the city annual operation; they're not paying for electricity or chemicals or what it takes to actually produce or treat water on a year-to-year basis, but those costs are related to maintaining a viable utility because all property owners benefit from having a viable utility adjacent to their property. If there wasn't one, the property values would go down and so with our rate study we performed what's called a cost-of-service analysis and that looks at all of your different customer classes and allocates expenses to them that they are driving, that they are paying an equitable share of what those expenses are. It's similar to what we did between residential and commercial or between residential and the RV connection. All those fees are different because each of those classes are driving those costs in a little bit of a different manner.
- iii. Kathy Anthony stated that yes, the water's there, the sewer is there, but they're not using it. They're not taking any water and not putting anything in the sewer. So, I still don't understand why it would be this high. That just doesn't make sense. The answer on that wasn't clear to me. The other one that might come involved in this,

this is something a past mayor brought up with how the division was with the people and it was that we got cut and stuck with Reno, the redistricting. I know he asked you guys to check into it. Did anybody follow up with that to see if there was any way we could get out of that and get back to where we were before?

jjj. Councilperson Kinney asked if you're referring to Cliff Eklund?

kkk. Kathy Anthony stated yes, that. Did anybody follow up on that? Because we're going to take it in the shorts because we have in the past.

lll. Denise Taylor asked didn't the redistricting still include us, but it doesn't include Eureka.

mmm. Mayor Holbrook stated they did some changes, but we are staying with Elko is what I was last informed.

nnn. Denise Taylor stated the redistricting goes clear down into the northern part of Pahrump, but Eureka is kind of the line. So that went into a different district than we are here.

ooo. Mayor Holbrook stated that we are still Elko and redistricting which is off this topic but just so you know that is the party in power. You'll probably see they're suing them in different states and gerrymandering and all that.

ppp. Kathy Anthony stated it does come into play because if they're going by the districts and we're down there, they're going to look at us like they have in the past and say, oh, they're small, they don't need it, we need it down in Reno and wherever and redistricting how they've done it. If they're getting money for water, sewer, billing it out, they've done it in the past. I've been here 50 years. We've got the short end of it up here. We always have. We just need to be sure that we are getting a fair amount for this which would hopefully help with our monthly bills. I'm like him, on a fixed income.

qqq. Vice Mayor Litchfield stated that if we do what Councilperson Johnston said, contact that website, send letters, become a squeaky wheel, complain and complain to the state, they're going to take notice of us eventually. It might not be tomorrow but they're going to listen to us eventually.

rrr. Kathy Anthony asked are you referring to Sisolak?

sss. Councilperson Johnston stated the governor's office is not only Sisolak. There is a whole bunch underneath him. You've got Masto's office, all your Congress, you can write to all of them.

ttt. Elaine Wescott stated in this water plan with new lines, has the city talked about putting water meters in so that people are paying for the water that they're actually using instead of paying for everybody else's water?

uuu. Mayor Holbrook stated we are, as people are coming in, we do require a water box to be there, but water meters are not cheap so there would be a large, substantial cost to go into water meters. That would be adding on top of it; we'd still be doing everything and then you're doing that. It is something I believe the City of Carlin needs and that's why as people are putting in new systems, we have to be looking at water meters because that is the fairest way. If we can get something going for a new development somewhere like we're proposing and get somebody interested in across the freeway, coming in with some housing or something, you'd start there with water meters and then start moving forward. You say we have a water rate and then you get a water meter, you put it in and then run off that rate, which is something that

I've been thinking about, but to require it right now to put water meters in right now would be a big financial undertaking.

vvv. Elaine Wescott stated she didn't know if that was included because just like with the other people have brought up with us senior citizens, like I'm a family of one and I live on a fixed income and I use a lot less water than somebody that's got a family of five or six. They're still working and have a little bit more flexible income. Because our town has a lot of senior citizens these increases not only with what goes on in the city but what goes on in our government, it's really hurting a lot of the seniors.

www. Valerie Myers stated for example, for those seniors that say they're just a couple whether they are in a little house or a mobile home, couldn't they be charged an RV rate because they are just two people? Like that was your explanation of why an RV rate got different than a regular household. Couldn't they be charged if they only have two people?

xxx. Councilperson Kinney stated he believes it's based on the zoning and number of fixtures.

yyy. Valerie Myers stated two people can't use all of the fixtures at the same time as a family of five or six. It's just the same water going through.

zzz. Mayor Holbrook stated that we can't fix it at this time. The other reason I like water meters is if somebody has a house and even if it's just you and you have a water leak on your system somewhere, you could be using more water than somebody of a family of five just because you have a small water leak and you're not aware of it. There are a lot of positives about water meters and all that and I think it is something that will have to be addressed to get it eventually fair and equitable. Plus, it would prevent some of that, but at this moment that is not in discussion for this right here.

aaaa. Councilperson Johnston stated I do agree with having a standby fee. I don't agree on that high of a standby fee. The reason I agree with it is because you see places sitting here in town that are owned by people that don't live in this town that are buying them for investment properties and others are coming to your community and look at your Main Street. Look at your businesses. How many of them are sitting empty and blighting it? How much does that building not paying water utilities cost you as citizens? Is this something to think about, with them not doing their share in paying for that property, which is land sitting their empty and not being utilized because they're from somewhere else investing in the future that Carlin is going to grow and then it will be valuable for them to spend money to fix up their properties. We've got people all over the place in this town doing that and it's not fair to you as taxpayers to sit by and have your utility fees having to go up because they're sitting there empty and not utilizing the properties. I'm a property owner; I own three places in this town, so I'm paying the bills just like you.

bbbb. Melissa Stevens asked if Carlin is going to put a lien on them if these people don't pay them and take the land back and be somewhat in the same predicament, you're not getting money in on that? Have they talked about that, are you going to start putting liens on people's property if you don't pay?

cccc. Mayor Holbrook stated that I think we have policies that if somebody quits paying their bills eventually yes that happens. It's not something that we want to do,

going and taking people's property.

dddd. Russell Nethery asked will you cut off their water? Is that what you're going to do? If they don't pay the water, you cut off the water. That's been the policy here for 100 years.

eeee. Mayor Holbrook stated or if they still have a bill, you take them to court and then the court deals with the issue.

ffff. Russell Nethery stated yeah, but you can't charge somebody for no services. Really, that's totally against the law.

gggg. Mayor Holbrook said no, it's not.

hhhh. Russell Nethery stated yeah it is. First off, you're going to run a new water line under the highway. Is that where it's going to start off, coming off from the tanks?

iiii. Mayor Holbrook stated right, that will be our second project.

jjjj. Russell Nethery stated the city gave land. Our main water line goes through now private property. The city gave Byron Roy, which he then sold the property to a homeowner. Do you have a waiver to go across that private property now?

kkkk. Mayor Holbrook stated I believe that's why we're moving the line, correct?

llll. Lucas Tipton, FARR West Engineering, stated that yes, that's why we're realigning the westernmost transmission.

mmmm. Russell Nethery asked so it's not coming down that road. We used to call it the old dump road before all you people were here. So, where are you going to run the water line down now?

nnnn. Lucas Tipton, FARR West Engineering, stated let me look at the project map.

oooo. Russell Nethery stated while he's digging that out, two and a half years ago I had a meeting with you guys to try and fix some water problems and I never heard back from really nobody. You told me you were going to put a fire hydrant in. There's no fire hydrant on the whole street and the City Public Works Director said he'd have one in, in 30 days and it never happened. That right there is against federal law that you've got to have a fire hydrant. I took every one of the City Council members up there. Do you remember, Margaret?

pppp. Councilperson Johnston stated we were talking sidewalks.

qqqq. Russell Nethery stated well, we're talking the whole street, water, sidewalks. My sidewalk has been shot into the wrong place twice. I want to move it up four feet and put it with the rest of this. Never heard back on any of that neither.

rrrr. Councilperson Johnston stated agenize it and we can work on it. You've got to come before Council so we can hear it and have it in record. Then you won't have to worry about that because it's a record. It covers you and me, too.

ssss. Russell Nethery stated you should've told me that then. So, I got to come in front of you? So, I'll be at the next Council meeting. We'll discuss it.

tttt. Councilperson Johnston stated no. Put it on the agenda, go to City Hall, fill out the form to agenize your questions or what you want to address the Council with. Then we can address it properly and it's not a hearsay thing. You'll have a record of it, we'll have a record of it, and it'll be done right. That was way back in 2016 I was first on the board. I know a little bit more than I did back then, Russell Nethery. It takes time to learn everything and if I had 20 years, I still won't learn everything through the government.

uuuu. Fred Montes de Oca stated I know that we are faced with a problem. The problem

is the water and sewer are old. It's going to have problems, just like anybody else. Like your seniors, they have problems. But the thing about it is the way you guys want to raise the rates is terrible. Elko just raised theirs two dollars. Battle Mountain, their water bill and sewer are \$63.15. What you mentioned, Mayor, comparing Elko to us, if they were to do what we must do they wouldn't be raising their rate, but yet again they're doing it the right way, a little bit at a time. The way I understood this last meeting we had on this water bill and sewer was the way they were going to fix the water and sewer with this modern technology where they go into the same pipe, I'm still confused on that. If they do that, do you have to dig to each owner then from where they put that new pipe in?

vvvv. Russell Nethery stated where they tie in the small line? Yeah, you do.

www. Fred Montes de Oca stated that was never mentioned, but another thing is I heard they have had cameras go into our sewer lines. I don't think that's been done. We must start somewhere but it must be done right away to figure out what needs to be fixed right away, in my opinion.

xxxx. Mayor Holbrook stated that's why we're starting with some of the old water lines that we know need moved, need replaced. The sewer lines will be coming along, and as we're doing this, we will be evaluating some of these as we're going. We can sit here and look, and this is what's happened, and we would talk about it, and it's always put it off and then you put it off to the next guy. We can put it off another five or six years and then we go somewhere else, but someday we must start doing this and these are some projects we know we need to do. We're starting to move forward on them. I wish I could say it would only cost an extra five dollars but the dollars and cents, we must do this. I hope that in two or three years that we get some of this other money. I don't know and we have to start somewhere.

yyyy. Lucas Tipton, FARR West Engineering, just wanted to touch on the outstanding question and a few things that were just said. As far as the right-of-way or alignment for that westernmost transmission main, we're going up either the 4th Street or 5th Street right-of-way to get out from underneath those homes adjacent to the highway. That's something that will be determined during the design; engineering design will look at the available right-of-way and what makes sense from a project perspective. Next item, someone brought up the sewer investigation. Absolutely, that's what we're proposing to do as our first project with the sewer system if these rates are put in place is to go in and investigate and make sure we're only fixing what we have to fix and we're only fixing it to the extent that we have to fix it, that we're recommending the correct treatment for those pipes and for those manholes. It was also brought up how excavation for where individual service lines connect to the main. How that's actually done is its camera-ed before the line goes in and they mark the location of each of those connections and then they put in the liner, so it's a solid liner, then they go back in there actually with a robot and cut and core a hole for each connection and then put in a device that's called a top hat that securely fits on the liner and up into that connection, so that you don't have to make that connection from the surface. So that's where it is truly trenchless.

zzzz. Fred Montes de Oca stated another thing about the sewer lines in Carlin. I've lived here most of my life and the thing about it is as far as I can remember here lately, we've had sewer problems probably for the last 10 years and nothing's been

done then. Something should've been done 10 years ago on these sewer lines. Did they fix them? No. Just a snake to release the waste. That's what I can't understand but that's a problem; we have to start somewhere. But the raises, like all these people, I'm sure all these people understand, we have to have a raise, but not like the raise that you guys are predicting.

aaaaa. Councilperson Johnston asked what's your solution? What's the price you can pay? How can we figure out the price?

bbbbb. Fred Montes de Oca stated if I heard right, you have \$1 million right now. Why aren't you doing something right now with the cameras to find out?

ccccc. Councilperson Johnston stated we've got it set up. We're ready to go. It's already been approved; we've approved it. When is it set to go?

ddddd. Madison Mahon, Carlin City Manager, stated it's set to bid out for early spring construction. The first self-funded water project is set to be bid out by FARR West for a spring construction.

eeeee. Russell Nethery stated this spring, they're putting it out for bid this spring. I want to let you know they did film the sewer lines up on 3rd and Elm. They come to our houses and did that five years ago. They ran it down.

fffff. Mayor Holbrook stated that was part of this whole project. We started this five years ago. The rates of having this done was part of it right there and that's where we're at and we're moving along. And honestly that is why the last five years we haven't had any rate increases either because we've been trying to get this stuff so that we knew what we needed to do and not just say we're going to raise it 3-4% and not know what we're talking about. This has been an accumulation. Now looking back, should we have raised it 3-4% the last four or five years. We knew we were going to need to come here and that would've graded this down, but I wasn't sitting here thinking that we wanted to start telling people because we've had it raised before and nothing happened. Over the years we've been like, every time they come and raise the rates and we're going to do this. Well, now we're setting it, we're making the projects, and this is what it's going on and how and why we need to do it.

ggggg. Fred Montes de Oca stated like he was saying, Mayor, that if something happens to that water line on the other side of the freeway, we're in trouble. Why can't that be first?

hhhhh. Lucas Tipton, FARR West Engineering, stated the spring line will be bid out first because that design has already been completed. So, the city already commissioned that design using this PERS. The design for the transmission mains is tied up in the loan that was just received this fall and that was the contract that we heard at the last Council meeting to move forward with that design and with that construction as soon as possible. But engineering hasn't been completed to date for those transmission mains.

iiiiii. Denise Taylor stated thank you because now I understand a lot more of the research and where you're going with that and what you've done, and I appreciate the fact that you have considered our low-income and seniors for programs that can be assisted with and figuring out how those are coming in. I did not understand that from things we were hearing. I appreciate that.

jjjjj. Madison Mahon, Carlin City Manager, stated some resources for utility

assistance, I gathered a couple of different programs. One program is about to be implemented on the state level. It is called the LIHWAP. If anyone has additional questions regarding this program it is a state program. The state is looking at rolling out this assistance program in late March or early April so it's not yet active. But it's federal monies that were allocated from a federal bill for utility assistance for water and sewer bills in the state of Nevada. They have up to \$1.1 billion in federal assistance that is being distributed to all states and so the program is going to be administered by the Health and Human Services and the state of Nevada. The state of Nevada will administer the program and anybody who might be able to qualify could get information by dialing 211. There is also information available on accessnevada.gwss.nevada.gov. That website will help determine whether you qualify for state assistance. But again, that LIHWAP program should become active sometime in March or April and will be specifically funding water and sewer utility assistance for low-income Nevadans.

kkkkk. Councilperson Johnston stated there are other things out there. This is happening nationwide. I want to explain a little bit that every time they pass the Clean Water Act or American Rivers Act, any of that stuff, there are regulations that come with it. And then that changes for the small towns. We must meet the regulations. We must follow the regulations and it's costing little towns across America, like you said; they're going under. Another thing that is happening is that people are privatizing the water system. We can sell our water system and a company will come in and run it, take over doing your water and sewer systems. That is out there. You can put it out there to sell it, but you lose control of things with the city; there are things that can happen with that. They will do their rates the way they want. We can cap it as a city and get rid of our own systems. There is also a buyback program where we sell our water system for so many years. A new company comes in, they price it how they want, the state has a cap on your utilities. They redo the whole infrastructure and take care of it, and the city can buy it back from them. They must give it back to us. Those are scary options in my opinion but I want people to be aware of that going on in America right now, where it privatizes it. Like you said Wells Rural did with our electricity, a company can do that with our water systems, too. I studied some of it. I'd like to do a lot more studying on that before I'd ever recommend anything, but you've got to think out of the box in Carlin. We're a small town and funding's not available a lot. We can go to the state, go to your Congress, say what a hardship it is on our town, push it forward, and this can change. We don't have to do everything at once. We must do some of these projects that are going to cause us to lose our water system, though.

lllll. Mahon Mahon, Carlin City Manager, read a comment by Ella Trujillo on Zoom that she'd be happy to help any seniors complete assistance paperwork and the Nevada Aging and Disability Resource Center in Elko can also help seniors get signed up for assistance programs.

mmmmm. Councilperson Griswold stated unfortunately some of this should've been looked at years ago. We're all pretty much in the same boat. We're trying to make up lost ground that we should've been taking care of a long time ago. One of the things I've been concerned about is when Lucas Tipton did the proposals for these rates, the first one is a \$25.16 increase between the water and sewer but come July

I when the new year starts, that's when they want to impose the second part of it, which will basically bring the increase up to \$49.70 within four months. I think that's a hit for anybody to take on any kind of income. We all know we must have an increase. What I would say is that the first \$25.16 is the total increase between the water and sewer, start that July 1. Give everybody a chance for four months to get used to the fact that they're going to take a hit on their water and sewer bill. Start the additional \$25.16 July 1, run with it for a year knowing that the next year you will have the other increase. Because the increases, if we look at it, the increase between this year and next year is like 33.3% and then they start going down over the next few years, the 7.6, so if we do that for a year, it gives people a chance to get used to the fact that you know you're going to have it. And who knows? Everybody here that stood up and said I will sit on a committee to help work this through, whether it's petitions, whatever we can do. We can do a lot for a small town, and this is a fantastic town, so anybody who stood up and said I would be willing to work and get some of this done, call Madison and give them your name and phone number so maybe we can get something like this together. If we do that increase for the '23 year, maybe in '24 there will be more funding out there and these increases won't be such a hit because there's nothing stating that this has to be written in stone. These are proposals, so if we can get something going here and, in another year, look at it and say, wow, we've actually got more money to do this stuff so maybe we can increase 3% instead of 33%, or 5%, and it could be less to our citizens to do this. I don't care if you work for a mine, everybody's on a fixed income; you know what your paychecks are. So, it's a hit for everybody. But that's what my suggestion would be, is don't do anything for the next four months and just put the first increase on July 1.

nnnnn. Councilperson Johnston stated write your Congress, tell them why this is such a hardship when they go by our stupid income in this town. Yeah, there's a lot of miners in this town that make really big money, but it's like when I fight down in Vegas for us, yeah, we have a good income; I'll give you that. I'll give you the median income, but we have 900 people, 900 houses that are paying that, not thousands of people. There are 900 households in Carlin, not thousands. That median income doesn't matter. We've got to change the way they do things and we've got to write our Congress and say it's not fair to go by income if your population is so low that you don't have anybody in your town; 2,300 people total is not enough to cover \$29 million of infrastructure bills. So, write your Congress.

ooooo. Mayor Holbrook stated that I realize it's a little bit of a hit, but we have put this out and we have started taking it on. If we put everything off, we're putting it off for a year, we still have mandates that we have to be within our debt limits. This proposal here is set up so that we meet our requirements as is. If we put it off another year, we still need to be trying to get the other loan for the sewer and if we start putting stuff off, we lose stuff.

ppppp. Russell Nethery stated I know the guy said he's got a robot that goes down there, and clamps and it all works perfect, but you know some of this stuff is 100 years old. You better be ready for a lot of that stuff. When you go to press that together from a newer system to a system going up to a house, a tie-in, it isn't going to work. A lot of times and you better be ready to tell the homeowner, hey, you need to put

in new water line, a whole new service from your house out to our new line. So, a lot of that is going to be disturbed. Every one of them in town, how many of them, is the city going to go, well it's up to you as a homeowner to get your backhoe and dig it all out, or is the city going to go, hey we'll do that, that's part of the bid, we'll do that. That's something you got to look into the future and see because up on that side of town that newer poly pipe is going to work. His little robot's going to work up there. It isn't going to work down here where the stuff is 110 years old. You're going to need new tie-ins down here. Simple as that. It's something you better be ready for. You're going to have a lot of people upset when they find out you disturbed the line, and they have to fix it. Or is it going to be, oh yeah, some people, I'll get a backhoe in here tomorrow and knock it out for you. Some people who are 85 years old you're going to scare them to death. I'm just saying I've dealt with the city, and when the city made an 80-year-old woman tear out her own curb and gutter because they couldn't do their job that didn't go over well. When she was made to put in new curb and gutter for the town. I'm just comparing to a situation here that happens in Carlin.

qqqqq. Lucas Tipton, FARR West Engineering, stated that just touching on that last comment. That's a very fair comment. That's absolutely something that can happen. That will be something that we evaluate during design, is what extents do we need to go to, to tie in some of these homes. But we commonly work in communities with very old infrastructure. We completely replaced Virginia City's sewer system three years ago. Right now, we are completely replacing the City of Yerington's water and sewer systems. These are both communities with infrastructure over 100 years old and so, yes, that is something that needs to be addressed, something that needs to be thought through, and if it becomes a significant issue during design then it might change the scope of the project, if more dollars are needed for service lines than originally thought. But like I said we're at the extremely preliminary stage of this Preliminary Engineering Report and moving forward with the project.

rrrrr. Russell Nethery asked what company are you representing?

sssss. Lucas Tipton, FARR West Engineering, stated FARR West Engineering.

ttttt. Russell Nethery stated because the company I work for is the one putting all that in. That's what I do.

uuuuu. Tim Ballard asked when is this supposed to start? I don't have a paper, so I don't know. When's the rate supposed to start coming up? Is it July 1 of next year?

vvvvv. Councilperson Johnston stated our new year starts July.

wwwww. Councilperson Kinney stated if this passes, yes.

xxxxx. Tim Ballard stated it's good somebody told me this because I don't even look in the mail anymore. I throw most of it away.

yyyyy. Councilperson Griswold stated the way this is set up is that your city bill March 1, your sewer and water will increase \$25.16 from what it is now. July 1 it's going to increase another \$25.54 so in four months you're going to increase \$49.70 in a four-month time period.

zzzzz. Tim Ballard stated my wife, and I are empty nesters now which is great, but this man's got five kids and we're not going to use as much water as he is and I'm not trying to say nothing, but he is going to be crushed on these bills. I make enough money, I'm good, as long as my line's running, I don't care. But some of these guys,

I'll be paying his bills. That's where I'm at. You're going to get these guys who are like I'm out. My little brother is by himself; he doesn't have those bills, he's done. He'll leave tomorrow when he realizes what's going on. I don't have the papers, I don't understand a lot of this stuff, but if I didn't get a text from some people saying you need to get down here and start talking and figuring this stuff out, I wouldn't have shown up. I wouldn't even have known this. I would have still paid you guys' next month the \$78.15 or whatever it is. I don't even know where my bill is; I just send you a check.

aaaaaa. Mayor Holbrook stated I apologize you didn't know this because we have tried to get it out so people will know.

bbbbbb. Tim Ballard stated the lady that was sitting right here she commented they don't understand she doesn't make a lot of money. She is going to hurt; people are going to hurt. This is going to be bad and you're going to hurt senior citizens.

cccccc. Councilperson Johnston stated that's why you've got to help us look for solutions.

dddddd. Clark Kafton stated you guys are talking about procrastination. This is just a comment, my dad worked at the icehouse as a cook 100 years ago and they were talking about these problems 100 years ago. Now that's a lot of procrastination.

eeeeee. Councilperson Litchfield stated I appreciate that comment because we've discussed that, kicking this can down the road, and if it's been kicked down the road for 100 years shame on past councils, but it's got to stop somewhere and unfortunately today's the day it stops.

ffffff. Tim Ballard stated I understand you guys have got to raise the rates, because I've had the same rate for four years now.

gggggg. Council members stated the last increase was 2015 so six years ago.

❖ **Motion:**

Vice Mayor Litchfield made a motion to close the public hearing on the presentation by FARR West on January 26, 2022, regarding the matter of the water and sewer for the City of Carlin at 8:33. Councilperson Kinney seconded the motion. Motion Passed.

B) Review, discussion, and possible direction to staff to amend the Resolution and/or Ordinance to increase water and sewer utility rates.

- a. Mayor Holbrook stated I feel for everybody, but I really feel that this is best for the City of Carlin in the long run. I personally would like to move forward with what we are proposing, and I will tell you that I will also look at any way that we can help our citizens to mitigate this, and not have this hit as hard as it's appearing. I think we have to move forward with what our plans are.
- b. Councilperson Kinney stated just to be clear, next month in March, we will be changing it to the 2022 rate and then in July it will be changing to the 2023 rate. And then in July of next year it will be changing to the 2024 rate. Is that correct?
- c. Madison Mahon, Carlin City Manager, stated that is as proposed.
- d. Councilperson Kinney asked and that will keep us under our 20% debt limit?

- e. Madison Mahon, Carlin City Manager, stated yes.
- f. Councilperson Kinney asked so if that changes at all we won't be able to meet those criteria?
- g. Madison Mahon, Carlin City Manager, stated that if the debt limit were to change that would mean the city could take on more debt to do more projects. Right now, we are limited in the scope of work we can do, the number of projects, because of the amount of debt we can take on. Right now, we're capped at 20% of our indebtedness, cap is 20% of our assessed valuations, so that is per the city charter, so if that were to change that would mean we could take on more projects. But that would impact rates. We would have to calculate additional loan debt into rates.
- h. Councilperson Johnston stated I would like to see us instead of raising the rates in March, have the committee people, people of Carlin go through and try to find stuff to help us lower these rates. Whatever you guys can come up with, and then in July let's go for the second rate starting out then if we can't come up with anything better, and everybody, the City of Carlin does everything they can to find solutions that we have not found yet and that might be your increase of the funding from the United States government and infrastructure bill that passed. If some of that comes through before then we can rethink things, but I would like to see us as of now give direction to our staff and our citizens, you guys said you'd get on a committee, let's get a committee together and look at it until then. And if we don't come up with a better plan than start in July at that price and we will go forward with it. That's giving everybody an opportunity to help us figure something else out.
- i. Mayor Holbrook stated if we move forward as we are and we get a committee and the committee find some stuff we can always come back and lower the rates. But the longer we put off raising them, we've already put it off for five years and that's why we're getting so high so if we put it off another three months or four months, a year, somewhere that monies got to be starting to come in. We have created a little bit of this by waiting even what we have. I think we need to move forward as is. These rates can always be if we find stuff, we can always come back and adjust them later. But to start our projects moving forward and apply for another loan and get our loans, we must have everything in place that's saying right now this is financially we have a plan.
- j. Councilperson Johnston asked when does the application have to be done?
- k. Madison Mahon, Carlin City Manager, stated that the rates that would be implemented in March impact our cash balances which would impact whether we can pursue the USDA loan that was obligated. The USDA loan Lucas Tipton mentioned before is hanged for the design and scope of that project so we wouldn't be able to start that first main water project without the rate increase. That's why it was tied with the motion at our last meeting.
- l. Russell Nethery asked that first project, where is that line? What's it called, the spring line?
- m. Councilperson Johnston stated that the main spring line is from out at the fishpond. It goes to the park. We've had tons of problems with it. It's broke, how many times you've worked on it? Tons.
- n. Russell Nethery asked, that's just the basic line going down to the well, right? That's a piece of cake.

- o. Lucas Tipton, FARR West Engineering, stated he just wanted to add when talking about the timing of the rates, additionally if we are to pursue additional funding for the sewer projects, let's say over the next four months, the rate changes are needed to support some of the financial information we would be providing to the USDA to say that these are the revenues and expenses of the utility. So, if we delay those numbers might need to be modified.
- p. Elaine Wescott stated a suggestion if you're going to put this into effect in the next 30 days that the city send a letter to everybody in Carlin with it spelled out to them because a lot of people don't come to the City Council meetings, they don't pick up this paperwork with the rate increases, and a lot of people don't get online and look at what's going on. So, I think in all fairness to all the people in town that before they get their bill for next month, they should have a letter go out from the city to everybody in town to give them a heads up.
- q. Councilperson Johnston asked is this the final hearing?
- r. Madison Mahon, Carlin City Manager, stated no, there is one more item for consideration for the actual rate increase at our next meeting.
- s. Councilperson Johnston stated so this isn't the end of it. We're still in the middle of it. It's just giving us steps to move forward.
- t. Denise Taylor asked didn't you just say this rate increase was going in on March 1 if you passed it tonight?
- u. Mayor Holbrook stated it's not actually passing; we have to go to the next meeting. It must be voted on to move it forward.
- v. Denise Taylor asked so it's not going to come out March 1 like a day before and say oh by the way tomorrow your bill's gone up.
- w. Madison Mahon, Carlin City Manager, stated this is the second public hearing in a series of three meetings and the third meeting will be on our February 23 meeting. That will be for reviewing approval of the resolution and/or ordinance to raise the rates to be effective in March.
- x. Mayor Holbrook stated it would be that last meeting and then yes, the rates would come up.
- y. Denise Taylor stated so then you are giving us less than seven days to say oh you're going to owe this much more.
- z. Mayor Holbrook stated there could be changes even between now and then there could be a letter sent out that probably if this passes in the next meeting even whether we do it or not it could be sent out sooner than waiting until that day before.
- aa. Madison Mahon, Carlin City Manager, stated we also did send a notice on everybody's utility bills this month that does say that there is a proposed rate increase, so if you look at the postcard there is a note on it that says to go to our website for more information.
- bb. Melissa Stevens stated if the people that just own the land, that have been out of state and never received a bill, they are clueless, they don't get postcards with information on them. How are you going to notify them?
- cc. Denise Taylor state this is inappropriate this little, tiny writing in the corner; this needs to be more prominent.
- dd. Mayor Holbrook stated that if this goes through there is going to have to be some adjustment and there is going to have to be some notification out to those people

- that this is taking place. I would hope that people are doing it. Trying to notify everybody in this town, we try Facebook, we try notices up at Khoury's; nothing seems to be 100%. We do the best we can on trying to notify people what's going on; in this day and age even with all the technology we have we can never reach 100% of the people. We do try to do our best to notify people and I know personally I have stopped them while we're talking and said you do realize we're talking about this rate increase. We started in October when we came up and had a meeting and got out and since then I know a lot of people have heard about this because I've had a lot of people come up to me and talk to me, but we'll never be able to reach 100% of the people 100% of the time. We try to get as many people as we can.
- ee. Councilperson Griswold asked on the resolution, are you going to have the dollar amounts in the resolution or just a list as you go forward?
 - ff. Councilperson Kinney stated resolution to go forward because the dollar amounts would be on the next meeting, correct?
 - gg. Madison Mahon, Carlin City Manager, stated correct. This amendment could take no action if the Council doesn't want to make an amendment to what we've decided at our last meeting.
 - hh. Council members discussed. They decided that no amendments are being proposed at this time, next meeting we'll vote on if we want these rates to take effect, and determined no motion, no action at this time.

❖ No Action Taken.

- C) Review, discussion, and possible direction to staff to investigate a possible increase to the City of Carlin debt limit and report to back to the City Council.
 - a. Mayor Holbrook stated this goes into whether or not it would behoove us to raise our debt limit to like 25% and if we do that, I do know that it has to go through the legislature so that is something if we want to look at moving forward with these projects and trying to go forward with the debt limits as small as we are we might need to go out. I believe we had the debt limit a little bit higher we might've been able to spread this rate increase out a little also because we keep it under what we are obligated to do with the debt limit. So, we could borrow a little bit more and put it out for a longer term.
 - b. Councilperson Kinney asked Carlin City Manager Mahon are there any NRS laws that cap us at a certain percentage of debt we can take on?
 - c. Madison Mahon, Carlin City Manager, stated not that I'm aware of. I am still doing research. She described looking at other city charters and surrounding municipalities of those cities. Debt limits range anywhere from 15 to 40% on average from other like municipalities; the commonality is normally 20% but I saw a handful of municipalities at 40 and they can range anywhere between that number as well and they're all set by charter.
 - d. Councilperson Kinney asked if there's anything that stands out that would negatively affect the citizens or anyone by raising the debt limit.

- e. Madison Mahon, Carlin City Manager, stated not that I know of yet, but I need to do a little bit more research and I'd like to talk with other cities that have higher debt limits to see what their impact citizens are.
- f. Councilperson Kinney asked if Lucas has any comment as to why the average is 20%, where they get that number from.
- g. Lucas Tipton, FARR West Engineering, stated I can't speak to that specific percentage. One thing to take into consideration is that if we're talking about increasing the debt limit for these infrastructure projects, this is for debt that is going to be secured by revenues and by a revenue stream that's just for the water utility or just for the sewer utility. It's not saying let's have the city take on new debt and we'll pay it off with tax revenue or with other revenue streams, sales tax goes up or something. It's very common for cities to take on debt because it's backed by a revenue stream that's identified just for that fund. Water projects are funded just by the water utility. Sewer projects are funded just by the sewer utility. To me that would be support for why an adjustment might be acceptable to that cap.
- h. Mayor Holbrook stated for our staff to research it and get a little information back. It might not be something that we even want to do but seeing that it was brought up in the last meeting we want to look at options going forward, we should move forward on getting some more information on it. Also, if we get a little committee they can help and research some of this, too.
- i. Lucas Tipton, FARR West Engineering, stated that this is the first time we've run into an issue with this, so I agree doing some research, looking into it, it may turn out to be a poor decision. I think it is prudent to look into to make sure it would be correct for the city to do that.

❖ **Motion:**

Councilperson Kinney moved to direct staff to investigate a possible increase to the City Carlin debt limit and report back to the City Council. Vice Mayor Litchfield seconded the motion. Councilperson Johnston voted nay. Motion passed.

3. Parcel 002-200-008 Request for Sale (For Possible Action):

A) Review, discussion, and possible direction to staff to negotiate with FlexStake Inc. on the possible sale and purchase of Parcel # 002-200-008.

- a. Madison Mahon, Carlin City Manager, stated I received an inquiry from FlexStake Inc. for interest in a household purchase agreement for Parcel # 002-200-008. This is the same parcel that has been in front of the Council for consideration for sale agreement in previous meetings. Both parties are aware. But this agenda item is written in the same way as our previous negotiation of direction to staff item. I

believe I have a representative on Zoom to speak to the item.

- b. Robert Hughes, prospective buyer, stated I'm on the East Coast. I have an interest and was wondering what you wanted for the parcel, and does it have water and sewer? Is it nearby? Because that's a concern, and when will it be there. I was just wondering if you are interested in selling the property and how much.
- c. Mayor Holbrook described the location at the exit toward the fishpond, 16 acres owned by the City of Carlin, then stated there is no sewer and water on that or power access at that time. The other potential bidder is looking.
- d. Councilperson Johnston asked if there are any other parcels close to that size in the industrial park that there is water and sewer to.
- e. Mayor Holbrook stated that there are other parcels in the industrial park.
- f. Robert Hughes, prospective buyer, stated that this is the one he's interested in because it's at the interchange and it would suit for commercial development very nicely. Are you allowed to use septic tank out there?
- g. Mayor Holbrook stated that right now that's not really an option. Some of how the city has been selling some of our property is if somebody comes in with a development, and we get an evaluation of the property. Some of our business properties like that, before we sell it, we want to make sure what's going to happen and if there's some commitments on doing something with the property. In the past there has been some property sold and then no development happens, and then it sits there, and it ties up what property we do have to do. So historically the last few sales the city has made in a development agreement, like I'll say this property for \$5,000 but you guys are going to put \$1 million worth of buildings and infrastructure onto it. So, it's been sort of fluids how we've sold it. We haven't been just outright selling for \$10,000 for that because we need stuff that's not just sitting there because that's happened to us.
- h. Robert Hughes, prospective buyer, stated that with your population just over 2,000 people, you're fortunate your unemployment rate is pretty low. Are y'all experiencing the same problem as we are where I currently live as far as finding help or people to work a hotel or work a facility? Are there enough people in your town that are looking for jobs?
- i. Mayor Holbrook stated our unemployment rate is very low and that is some of why we're trying to get some developments to put housing in because we need more people to get our town growing. That's one of the things, if we don't get more people, we can't have more businesses because we don't have the people to run them.
- j. Robert Hughes, prospective buyer, stated that housing would not be the best use for that property. It would be more of a commercial interchange type deal. And that's why I would be looking to purchase it, and then when the infrastructure catches up to it, the water and sewer make it out there, then it would probably make sense to start developing it.
- k. Councilperson Kinney asked Robert Hughes, prospective buyer, are you willing to share what you're proposing to do with that land?
- l. Robert Hughes, prospective buyer, stated right now I would have to do a lot more due diligence. I've done a little due diligence and right now what I would do is buy it to develop it in the future. Right now, it's not ready. The track account on the

- interstates, around 10,000 cars a day, a McDonald's will not go into a city unless you at least have 10,000 people in that area. A McDonald's might go if you had 7-8,000 people with the interstate there, so it's a little premature but I would look at buying it to build a commercial establishment on it in the future. I have done shopping centers here in Southwest Florida. Y'all have heard of Albertsons being out West and they came into Florida, and I worked with them on a few deals, put shopping centers together. But it's a little early out there right now but I would give you this commitment, if I did work on it, I would pursue it and try to get a commercial development on there as soon as I could.
- m. Russell Nethery stated that is a prime piece of property. It ties in with Eureka County, the highway going south, it's only 4 or 5 miles from probably a couple of the largest gold mines in the world, and you're only a quarter mile from water. Also, it's on the 250-mile increment dead center between Salt Lake, Reno, and Boise, and going south, so it's a four-way intersection right there for a huge truck stop, motel, which would be highly feasible for this area, too.
 - n. Robert Hughes, prospective buyer, stated I agree and when I come out there, I'd like to meet you and pick your brain. Just a note, I live in Cape Coral, Florida, and they lined 10,000 feet of sewer and it's worked out fantastic and I will email y'all the name of the company that did it in Southwest Florida and they did a really good job, and it was just lined.
 - o. Councilperson Johnston stated we also have a workforce that is 23 miles away. There are employees now coming to Carlin to work from Elko, and Spring Creek's another 15-20 miles away with another bunch of people living out there, too. There are people in the area for our workforce.
 - p. Robert Hughes, prospective buyer, stated I will really do a lot of due diligence once I have a commitment or when I'm in negotiations or maybe if we can pursue something and get something going. It's kind of early, if I was like hey y'all want to sell your property; if you do, let's try to put something together. If not, I'm not going to put a lot of time and energy in it until I have some kind of commitment to go to work and get things done. Usually when I get on a project it gets done. It may take five years, it may take seven years, but it gets done.
 - q. Fred Montes de Oca stated that he hates to discourage this guy. You said it's 16 acres? So, most of your lots in Carlin are not even an acre, so if you double that, that'd be 32 places. Are you going to charge him standby for 32 places?
 - r. Mayor Holbrook stated it's not subdivided into 32 places.
 - s. Fred Montes de Oca stated you didn't say that in the meeting; you just said vacant land.
 - t. Councilperson Kinney stated it's one parcel. You get charged for one parcel.
 - u. Fred Montes de Oca stated there is a lot of difference here. There are people that have just one parcel that's only 25 by 100 but you're going to charge them a standby and I don't think that's fair when people have nothing on it. I do have commercial property. I'll be happy to talk to you.
 - v. Russell Nethery asked can I legally get that guy's name and number that's trying to buy this property?
 - w. Robert Hughes, prospective buyer, asked Madison Mahon, Carlin City Manager, to pass it on.

- x. Mayor Holbrook stated we do have another prospective buyer for that property. They're working on a proposal on that property. Of course, the City of Carlin, we are willing to sell that parcel. We want businesses.
- y. Robert Hughes, prospective buyer, asked, the other people negotiating it, did they contact you prior to me contacting you?
- z. Mayor Holbrook stated yes.
- aa. Robert Hughes, prospective buyer, stated please go ahead and work with them. See if you can put something together. If it falls through, I would like to get back with you and see if we can get something going.
- bb. Mayor Holbrook stated our City Manager can send you information on what parcels we have available.

❖ **No Action Taken.**

4. Fire Station Bid Award (For Possible Action):

A) Review, discussion, and possible acceptance, approval, and award of the lowest responsive and responsible bidder, received for the Carlin Fire Station Project, PWP # EL-2022-057-AC.

- a. Madison Mahon, Carlin City Manager, stated we received two bids for this project, the Fire Station Completion Project. The first bid we received in the packet is the MGM Construction bid. The MGM Construction bid, the base bid totaled \$424,000.00. The second bid we received was from KAP Mechanical for a base bid of \$523,500.00. There were a few issues brought to our attention and that were passed on to our attorney for review. In reviewing the MGM bids and the KAP Mechanical bids, both bids seemed to comply when we first opened. Both did submit a 2-hour bid list, so they are also in compliance with the 2-hour bid list. The issue that was brought to our attention was that the 5% list total does not match the base bid for MGM Construction. Due to this, this was recommended to be a nonresponsive bid.
- b. Councilperson Kinney asked what the 5% means.
- c. Madison Mahon, Carlin City Manager, stated the lists are a list of contractors that the bidder will utilize to complete portions of their jobs. By NRS they are required to submit a 5% list and I believe it's a list of contractors that will be doing a substantial portion of the work of the contract. In MGM's bid, when we added up the written amounts within their bid it didn't total the base bid. It had alternate additions to it in addition to the base bid, so there was an irregularity between the base bid and the 5% list.
- d. Councilperson Kinney asked so they potentially didn't include all of the contractors they would be using to do this job?
- e. Madison Mahon, Carlin City Manager, stated the 5% list was far greater than the base bid. It included the base. I believe the 5% list totaled; I don't have it in front of me, \$520,000 in that range and the base bid was again for the \$424,000 and

then the added alternates for the concrete apron was marked as \$93,000, the bollards at \$17,000, but it appears that those were also included in the 5% list. That was the problem that was addressed.

- f. Mayor Holbrook stated when I look at these, both bids are coming in way high over what we have budgeted for this. I would like to see it get done and moving on, but seeing that they're both higher than what we anticipated I've talked to Madison and she's looked at it, but I'm almost thinking we reject both of these bids and maybe we come back and try to do this project in smaller increments by coming in and doing just the electrical, then move in and do just the doors. We're already approved doing the sidewalks, so we have that, and we come in and try to do it a little slower, smaller pace. I'd like to get it done but the way these are coming in it's not really looking like that's how we want to do it.
- g. Council Members asked about the \$285,000 bid estimate from the architect and why that estimate is so low.
- h. Madison Mahon, Carlin City Manager, stated the \$285,000 originally was our hope to keep the project under \$300,000; \$300,000 is what we currently have budgeted for the Capital Projects Fund for any projects for this fire station. With the amount of work that needed to be done to bring it to occupancy it wasn't feasible to think it was going to be under \$300,000. We initially set a budget of \$285,000 hoping that we could stay within our budgeted amount without having to utilize any of our opening fund balance in that fund.
- i. Councilperson Kinney asked what would happen if we did have to use that opening fund balance, how that would affect?
- j. Madison Mahon, Carlin City Manager, stated it would result in an augmentation because we're spending more than we have budgeted. That could be amended for fiscal year '23. We could budget more for the Capital Projects Fund more in line with the rising construction costs and these bids that we're receiving, knowing that we have the labor shortages and construction costs to handle. But for this budget year if any funds were going to be expended in this budget year it would mean an augmentation and then opening fund balances would have to be used to cover the difference of any overage over that amount for what we have budgeted.
- k. Denise Taylor asked we just talked about pushing something out on the sewer and the water and continuing pushing that out and kicking the can. Are we doing the same thing with our fire department and we're going to end up losing it?
- l. Mayor Holbrook stated that's why I'm saying we still move forward. We have it; we just move it as we're going. The fire station project was started and then it's been dead in the water for a lot of years, so we are moving forward on it. I do just from looking at what it is I do believe that we can come in and maybe if we are doing these in smaller projects, we can get bidders that come in and do it piecemeal. Might be cheaper rather than trying to find a company that can come

in and do it all. That's what we're asking somebody, to come in and do all these different things, whereas if you come and bid each one, somebody does the electrical and there are four or five electric companies, maybe they would bid on just that so we could get some competition and we get a little cheaper bid. Then we go in and bid on the sidewalks and that's a little cheaper. I also believe that we can, reasonable, even with our budget we have, we come in and bid it smaller we can at least get it up and going where we can utilize it because what we need is the sidewalks, the parking, the driveway, the power, and I think the doors. So, we might be able to get it usable for less. We're just not to be able to have the offices, which we want, but we could get it usable and then get in some of the offices at a later time.

- m. Linda Bingaman, Carlin City Fire Chief, stated I think I see where you're coming from, and maybe you can and maybe you can't. You're going to have to have somebody that can oversee and make sure that coordination is going between if the electrical affects something else and something else, and that kind of stuff. My concern is every time we go to bid, it's higher and higher. It's just making it out of reach.
- n. Councilperson Kinney stated the only problem I see with bidding it out in smaller pieces, we've actually run into this very same problem with trying to do 2nd Street. We said it was too small of a project and we couldn't get enough people to bid on it to even do the project. That would be my only concern, is that we wouldn't get anyone and like you said, Linda, to make sure that if these are being done in different years, how are we going to know that the electrical is going to match up with what they need for their requirement for the doors if it's in a totally different year and they upgrade their equipment and don't have equipment available? And then they're going to have to go back and re-upgrade the electrical. We've already run into that problem right now where the doors that they installed the design.
- o. Linda Bingaman, Carlin City Fire Chief, stated there was a power box that was not big enough to handle the motors that would be required for 16-foot doors.
- p. Mayor Holbrook stated is that what I'm saying is that we would actually downsize this project. We would come in and this would be a small enough project that we could get it done like this year and still get you guys in there. It just wouldn't have; we don't need the offices and stuff for right now to be actually in there and start using it. With the money that we have I think we can get using it. It's still going to take regardless, the power, the sidewalks, parking, and driveway, that's all got to be done, so we're still moving along and that gives us time to maybe make the bid a little smaller. But the rest of it could come later but we could get in there. This bid was to get offices.

- q. Councilperson Griswold stated so you're talking about using specific contractors instead of a general thing.
- r. Vice Mayor Litchfield asked if the power is overhead or underground.
- s. Linda Bingaman, Carlin City Fire Chief, stated it's coming in underground. I think it's coming in the poles there but it's underground on the building.
- t. Vice Mayor Litchfield asked if there is already water in that facility.
- u. Linda Bingaman, Carlin City Fire Chief, stated yes.
- v. Vice Mayor Litchfield stated so the only thing you need to go underground right now would be your power and put a sleeve in for fiber.
- w. Linda Bingaman, Carlin City Fire Chief, stated we do have the telephone over the boxes outside to do that for the utilities, but then we moved the pole so that the pole's not there. I think it's ready. It needs the inside finished, and needs the door openers, the plumbing, and we didn't have a whole lot in the design as far as offices and stuff. There was putting in stairs to upstairs and finishing the bathrooms and stuff, and the shop area. There wasn't a lot inside but some.
- x. Jennifer Lickly, KAP Mechanical, stated that the base bid did not include sidewalks and curb and gutter or landscaping in the scope. It was specifically for the interior finish of the building. That did include several mechanical projects, plumbing, HVAC, fire sprinklers, electrical, which was quite a big package, as well as lining the shop walls with plywood and including painting on all of that. I did include in my list with my bid that potentially can be picked and chosen from which I think can help the budget out. If you would read that, overall, the budget is quite low for finishing a building of that interior with those specifications. As a bidder with responsible paperwork submitted, we are a local contractor. We're based out of Elko; my dad actually grew up in Carlin, so we have a lot of respect for everybody there. We're willing to work with that respect and work with you guys much like we did at the courthouse. I just wanted to interject that and make that known, those points. I do appreciate your time.
- y. Mayor Holbrook stated we approved sidewalks earlier.
- z. Councilperson Kinney asked it does include the aprons, correct?
- aa. Linda Bingaman, Carlin City Fire Chief, and Madison Mahon, Carlin City Manager, indicated it is an alternate but that we're going to need some papers before they give occupancy.
- bb. Councilperson Kinney stated in KAP Mechanical's bid they have site prep for aprons and stoops. What is that specifically?
- cc. Jennifer Lickly, KAP Mechanical, stated that aprons are an alternate and the stoops were part of the base bid per the architect's drawings.
- dd. Councilperson Kinney asked so the aprons are included in the \$500,000?
- ee. Jennifer Lickly, KAP Mechanical, stated no, they're part of an alternate, per JD's drawings.

- ff. Linda Bingaman, Carlin City Fire Chief, stated so that's another \$95,000 or 98,000.
- gg. Councilperson Kinney stated that would put it around \$600,500, in that range.
- hh. Jennifer Lickly, KAP Mechanical, stated correct, but by my previous conversations with the architect were that what can be done may be done. It just depends on budget and approval. I do think there is some room for things to be done or maybe approval for additional financing be in place. You guys know as well as I do that the prices in the market just continue to escalate and it is quite disturbing but that's kind of the place, we're at.
- ii. Councilperson Kinney asked Linda if you'd be able to utilize the fire station well if it didn't have aprons.
- jj. Mayor Holbrook stated that's part of to be able to use it, so that would be a higher priority than some of the other stuff. We'd have to get it where we could get a permit.
- kk. Linda Bingaman, Carlin City Fire Chief, stated I believe that's a requirement for the occupancy. If we're going to piecemeal it, I want to see progress and want to see some movement, but I would certainly ask that we have a list of exactly what we have to have in order to be able to go in and utilize it. We know we've got to have power, we've got to have door openers, but what is the bare minimum that we have to have that we can utilize it. And then go from there.
- ll. Councilperson Johnston stated I would like to see us table this until the next meeting, maybe have the building inspector here so we have exactly what we can do for occupancy.
- mm. Councilperson Kinney asked do we have a time limit on these bids to accept by Madison?
- nn. Madison Mahon, Carlin City Manager, stated I believe we can table until we have additional information.
- oo. Mayor Holbrook stated he has seen a tentative list of what it is, but we didn't get it here in time for that.
- pp. Councilperson Kinney asked if we'd be able to do just a portion of this or is the bid, the way it is, how we would have to accept the whole thing, otherwise we would have to go out for bid again for smaller portions of it?
- qq. Madison Mahon, Carlin City Manager, stated I would probably like to defer that to Lauren. I don't know the statute on that.
- rr. Councilperson Griswold stated they had everything listed out for the various prices. They've got down the air-conditioning, the restrooms, so everything's broke out. So basically, they're giving you the bid for it if you can accept it that way, if could piecemeal it.
- ss. Madison Mahon, Carlin City Manager, stated she is not sure what the statutes are, what the Council may accept within completed bids, so I need to defer it too legal.

- tt. Councilperson Johnston asked us to go out to bid price is \$50,000, and then we have to go out to bid for anything over \$50,000? And if we augment the budget, what will happen with that, if we went ahead with this? What are the consequences for having to augment the budget?
- uu. Madison Mahon, Carlin City Manager, stated that she doesn't think the state likes to see an augmentation, but depending on the start and end dates we could potentially do this in the fiscal year '23 as well.
- vv. Councilperson Kinney stated so we don't know when they would be able to start if we accepted this bid, right?
- ww. Madison Mahon, Carlin City Manager, asked Jennifer if you have a timeline when you would be able to start? Is this able to be deferred until fiscal year '23?
- xx. Jennifer Lickly, KAP Mechanical, stated as far as fiscal year 2023, I think we can start before then. The biggest lead time on materials right now is of course the joisting for the second floor. The rest of it with exception of the joisting and the specialty AC plywood tongue-and-groove in the shop, I think most of this could be completed by fall if not earlier. We do quite a bit of commercial work, as general contractors, as well as mechanical, plumbing, and fire, so most of this we are planning to self-perform and we do things pretty quickly as long as materials are readily available. I don't see time frame being an issue to get this completed this year. I've got a very great crew of subcontractors that would be on the site as well.
- yy. Councilperson Kinney stated it would actually benefit us if it was pushed out further to beyond July because our new budget year would start, and we could add additional funds to cover the cost.
- zz. Jennifer Lickly, KAP Mechanical, stated I unfortunately can't price that far unless some sort of contractor was in place. I'm sure you can understand. Things change weekly, sometimes daily in our industry. So that's a little bit of a reach but if the contract was in place, we could write purchase orders and things like that to hold the materials intact and then bill from materials stored. That's always an option and we've seen that a lot unfortunately in the last two years where we've had to go through those processes.
- aaa. Mayor Holbrook stated he would like to see this tabled until the next meeting so we can look because this is a lot over what we had budgeted.
- bbb. Jennifer Lickly, KAP Mechanical, stated she agreed, and our price does reflect finishing out per the plans and specifications. There is some give room if certain finishes are changed and things like that. The shop walls are extremely expensive for the tongue-and-groove plywood that was called for, so maybe we can set up a meeting and discuss further.

- ccc. Councilperson Kinney stated if we do find for some reason, we need to act on this sooner than the next meeting would we be able to potentially set up a special meeting to discuss this if we had to?
- ddd. Madison Mahon, Carlin City Manager, stated that yes, we can always have a special meeting on the table if the mayor wants to call one. I will go back to legal about considerations about the budget, augmentation. I also have a concern if we were to begin in fiscal year '22, we can have a conversation with our auditors about work completed in fiscal year '23, attainments made in '23, so I'll get some clarification on that if we're not able to hold the project until the fiscal year '23. Is there's that split, that will be something I'll get clarification on.
- eee. Jennifer Lickly, KAP Mechanical, asked on the concern of the aprons for the fire engine exits and entrances, does that need to be concrete or is there some sort of exemption where type two base compacted to a certain percentage would be approved until a later date concrete was poured? That would save on the budget on the alternate portion.
- fff. Madison Mahon, Carlin City Manager, stated I'd like to get a thread together to our building inspector so he can answer some of those questions so we can get a yes or no specifically on the concrete, too, to see if it's something that we can do.

❖ **Motion:**

Councilperson Kinney moved to table the acceptance or approval of the lowest responsive bid received for the Carlin Fire Station Project until our next meeting on February 28. Councilperson Johnston seconded. Motion passed.

5. Public Comment Period for Future Use of Old Church on Main Street (Non-Action Action):

A) Review and discussion of possible future uses of the Old Church on Main Street.

- a. Sabra Esparza, Carlin Historical Society, we are filing for the grant like we talked to you all a couple months ago about, and in order to do so we kind of need to have an idea of what we're going to use the building for. So, we just want some input. This is a non-action item so hopefully we can move through this quickly. Just throw out some ideas so we can have an idea of what we want to tell the state and the grant and all that stuff that we want to use the building for.
- b. Vice Mayor Litchfield asked what is the historical society's idea of the building?
- c. Sabra Esparza, Carlin Historical Society, stated obviously we want to use it for the community in some way. We already have a community center as far as The Gathering Place, but we would like to see more of a civic-type center where people can rent it, we could have activities there, just different events, and people could rent it out or hold classes there. For the museum currently, we're holding

classes at the museum, but it would be nice to do them at a bigger building without the exhibits all around.

- d. Ella Trujillo stated this grant is specifically for historic restoration related to cultural centers, so we can't get really wild and turn it into a nightclub.
- e. Sabra Esparza, Carlin Historical Society, stated something that benefits the community that we can use.
- f. Sabra Esparza, Carlin Historical Society; Councilperson Griswold; Mayor Holbrook; Vice Mayor Litchfield; Valerie Myers; Denise Taylor; Councilperson Kinney; and Ella Trujillo discussed ideas for use including for high school dramas or plays, renting out for weddings, anniversary parties, concerts, preservation in its basic state because of historical value, painting classes, a basic gathering community center, renting for birthday parties, using stackable chairs in there since pews and furniture are gone, potlucks or fancy-dress dinners for fundraising, silent auctions and other fundraisers, Ella's murder mystery night. Inclusion of a stage was discussed, and Ella Trujillo stated I would welcome all of you to look at the inside of the church because there is a stage already there including a kind of the sacristy which could be used as a staging area, so it's small.

❖ **Non-Action Item. No Action Taken.**

6. Chestnut Street Discussion of Use (For Possible Action):

- A) Review, discussion, and possible consideration and direction to staff of a No Overnight Parking, Limited Parking, and/or extended fire zone lanes to request to be installed in high-traffic areas on Chestnut Street.
 - a. Madison Mahon, Carlin City Manager, stated I have an emailed public comment from Jeremy Neal that he hates to tie up law enforcement, but he does get woken up multiple times every night and something must be done and he thanks you for your time. And he sent several images which I included in the packet of the trucks that are on Chestnut Street overnight.
 - b. Councilperson Griswold asked what did NDOT say about it?
 - c. Madison Mahon, Carlin City Manager, stated they haven't responded.
 - d. Denise Taylor stated I commend you for acting.
 - e. Steve Wilkinson stated this has been ongoing for six months now. It's getting totally out of hand. Between 1 and 5 o'clock in the morning there's a train wreck out there. I called dispatch last week. The Carlin Police were busy that night; I checked into it. But what they told me is that if I want to file a disturbing the peace complaint, I'd have to file one against every truck driver out there. I'm not opposed to that. But they must come by my house so that I can file that. I'm willing to do that. This is ongoing.
 - f. Mayor Holbrook stated I have had numerous discussions on this. I actually do worry that if we limit trucking for these trucks and parking out there, I worry that if somebody like Smashers, they do get a substantial amount of business from

people parking there, also Family Dollar gets some, we have businesses that benefit from that, so when I was initially hearing this, I was hearing that we just can't have trucks parking and we can't have them doing their changing and all that. After some discussions, I am in favor of asking no overnight parking, no parking from say 10 PM to 5 AM no truck parking, so that we're breaking it up so that they're not doing that there during that time period. But I also realize we do have businesses so I personally would support something for nighttime slowing it down and trying to control it.

- g. Denise Taylor stated I think we're very fortunate that we haven't had an issue with a child at the school and I think it is getting harder and harder as you go down that street, and I'm afraid that if we continue to ignore this issue, we're going to lose a child, and we need to take action.
- h. Mayor Holbrook stated on reference to that, those streets are very wide, those are big streets. We have school zones in Las Vegas, Nevada, which have people going 45 miles an hour. I do not personally believe that it's a child safety issue. We have kids on a couple of our other streets that are running out, that are a lot more hazardous. We cannot do our businesses that way or our homes because we have streets that are very narrow in this time and people are parking, kids are running out and you have no time. These trucks when you drive by you can see under those trucks. I've had one of the officers talk to my son for crossing the street in the middle and not using crosswalks. The other thing there is that's not a high cross. The kids do come across there by 8th Street right there by the school. They don't park right there down that area.
- i. Steve Wilkinson stated if you go there at 12 o'clock when they go home for lunch that is the exact time that UPS switch every one of their trucks between 8th and 10th Street.
- j. Mayor Holbrook stated I was talking about right where the school parking lot is.
- k. Steve Wilkinson stated at 2 o'clock in the afternoon those kids do not walk in the crosswalk. Kids are kids. I've seen UPS guy slam on his brakes many times and almost hit those kids. If one of those kids gets hit, it'll be on you guys.
- l. Mayor Holbrook stated I slam on my brakes a lot because our kids walk down the streets everywhere in town and there is something there. I'm just saying that I do not believe, that if we're going to mitigate this, let's do it on what it is, and trying to throw the safety card on kids because we're near a school zone I personally do not believe that is the main hazard here on that.
- m. Councilperson Johnston stated I have seen truck drivers flip around there and go up on the sidewalk and pull around and I stopped, and I said do you know what you just did? You're in a school zone. He's like, what? But I think there needs to be no truck parking in by the school all through there on Chestnut Street. If you're down somewhere out away from the kids that would be different but right through that area, I think absolutely should be no parking and no flipping around, and they're going around across the double yellow lines, flipping around, which against the rules anyways.
- n. Mayor Holbrook stated right and that's another issue but if there is parking along there. Between 8th and 10th at night, I even would go from 5th Street to 10th Street with no overnight parking. I would support that. Of course, we are going to make a

request to NDOT. We are not making these rules. Let's be clear; Chestnut is NDOT's right-of-way, so all we would be doing is making a request from the Council to in NDOT that they implement these signs or these zones.

- o. Councilperson Griswold stated we drive back and forth a lot even in the night up and down there. It seems even at night, the overnight trucks for overnight parking, they're usually in the Pilot parking lot for overnight. I don't see a whole lot of trucks overnight. I know there's a lot of switching between tractors and trailers.
- p. Steve Wilkinson stated that's what it is. These people that switch those trucks, they don't go to Family Dollar; they don't go to Khoury's. They flip up on the sidewalk, do U-turns across the double yellow, smash their truck into the other one. It's just continual.
- q. Councilperson Griswold stated we still must get with NDOT because it is a state highway.
- r. Steve Wilkinson stated you talk to the City of Elko. There is no parking on Idaho Street. It can be done.
- s. Vice Mayor Litchfield stated Elko has an ordinance. There's 600 feet between entrances, that there's no truck parking there. Light vehicle, cars, pickup trucks, are fine but there's no semi parking along there. The problem is not that they park there, rest for eight hours, and then drive on. They're using it as a transload facility on our roads. There's property up in the industrial park that we can sell them if they want a transload facility. Let them buy this property and trade their trailers up there or use the Pilot parking lot, what it's made for. Our roads are not made for transload.
- t. Mayor Holbrook stated that we'll all hope that what we're hearing is happening across the highway, and that might alleviate a whole lot of this issue anyway. But, if somebody wants to come in and reopen Smashers or something, if we take away all that parking along there, we're pretty much saying that business is probably not going to be viable, and we do get other during the daytime. I am supportive of having no truck parking at nighttime from 10 to 5. I would support that, but I think that we also want to encourage some usage, and it is NDOT's street so there is plenty of room for them to park and I don't think it's personally the safety issue that's what we need to look at. Nighttime is different also, if there is any safety issue it's because it's dark. Once it gets dark, that street is dark down along there.

❖ **Motion:**

Councilperson Kinney moved to direct staff to continue to work with NDOT on what we are allowed to do as far as no overnight parking or limited parking on Chestnut Street. Vice Mayor Litchfield seconded. Motion passed.

7. Fiscal Year 2023 Tax Rate Changes (For Possible Action):

A) Review, discussion, and possible approval of a property tax rate increase for the Fiscal Year 2023 budget process.

- a. Madison Mahon, Carlin City Manager, stated I do want to explain what is best seen on the Applied Analysis Report on page 1, Table 1, of your packet. This is a net zero increase to a property owner. So, a property owner will not pay any

additional property taxes than what they pay today. All this property rate increase would do would be to reallocate potentially up to \$.75 that is currently being levied by the school district that can now be levied by other taxing authorities within the County of Elko. So, when pay-as-you-go failed and the bonding failed, come July 1 Elko County School District will lose \$.75 of their tax authority, of their ability to tax. So, when you're reading Table 1, you're able to see that currently the school district levies \$1.50 per \$100 evaluation on a property tax. Come July 1 they will lose \$.75 because they failed to approve pay-as-you-go by voters and so their tax levy will reduce to \$.75. That frees up \$.75 that other taxing authorities can take. This includes overlapping taxing authorities. So, all four incorporated cities within the County of Elko as well as the County of Elko and a couple of other considerations and conventions that are in the TV District, but you can forget about them for now. The four main cities in the county must make a decision on whether or not that any of that \$.75 will be incorporated into their own levy. Currently the City of Carlin's levy is sitting at 1.1480, so in total you have the State of Nevada levying \$.17. Today the school district levies \$1.50, the County of Elko levies .8386, and we levy 1.1480. Come July 1 with this \$.75 coming free from the school district, for the City of Carlin or the County of Elko, are free to move forward with any or all that \$.75.

- b. Mayor Holbrook stated I go back and forth on this because when I'm looking at it, if it is a net zero, it's there, if the county was to go a step in and say we're not going to take any of this, then it actually would sort of drop people's taxes that \$.75. But then the City of Carlin, the City of Wells, could say we want part of that \$.75 and then it doesn't really drop. From the City of Carlin standpoint is that we can request part of it, all of it. Myself, I believe there were two reasons that pay-as-you-go was failed. Number one I don't feel that the school district was doing their due diligence on how they were using that money. That was my opinion and why I voted against it, but there were also some people were like we'll get a little bit back, lower our property taxes a little bit. If I thought everybody, the county and all the other cities were going to say we're not going to take any of this, I would say drop it. Let it go down that little bit, but I think from what we're hearing, that's probably not really going happen. The county is really our person who we would be competing against with the main thing on that. They are voting and discussing this item on next Wednesday the 16th and until we know what they're going to do, they might go in and ask for all \$.75. Now if they ask for all \$.75, the City of Carlin if we ask for \$.75, then the state is going to come in, and if the City of Wendover asks. Between all these towns and the county, if it goes over the \$.75, then it goes to the state to decide how this can be split up. Myself I would like to not even take action tonight and I would call a special meeting to discuss this on Wednesday night after the county does their vote and we see. Also,

I believe the cities are trying to get a meeting between now and the thing and they're wanting everybody to try to work it out in an equitable thing for who gets what, for how it gets divided up, and not get the state involved.

- c. Linda Bingaman, Carlin City Fire Chief, stated is there not a limit on the amount that each entity can put in for? Because I don't think they can put in for the whole \$.75, there's like a 3% or 5%, there's a limit of how much of that they can put in for.
- d. Councilperson Kinney stated the most is \$3.66 for the cap. We are very close to that ourselves so we wouldn't even be able to put in for the full \$.75.
- e. Madison Mahon, Carlin City Manager, stated currently we're sitting at the tax cap at 3.66 for the combined that's set by statute. On July 1 when the school district loses their \$.75, we'll no longer be at the cap.
- f. Councilperson Kinney asked we'll just be under it, correct?
- g. Madison Mahon, Carlin City Manager, stated correct, yes. To your point, Linda, we're far under our maximum tax that we're able to levy, but I believe there is a percentage increase that we would be capped on. The Department of Taxation creates that.
- h. Linda Bingaman, Carlin City Fire Chief, stated that even if the entities put in, they can't take the full amount, no entity can take the full amount based on what cap they're going to put on them or something.
- i. Madison Mahon, Carlin City Manager, stated there is an expectation that this could be arbitrated at the state level because should any entity make a mistake or go over their cap or allowable by statute, the state will have to arbitrate it out anyway, so if all the cities put in for \$.75 and the county put in for \$.75 the Department of Taxation is going to take a look at all the assessed valuations in addition to our percentage caps and are maxed levy, which is all on that Table 1, to determine who gets what essentially. There is a proposed meeting for all the cities in the county to get together to work on the tax rate issue in the coming week.
- j. Councilperson Kinney stated if by chance for some reason no one wanted the \$.75, I was having a hard time understanding the gap year and how that works.
- k. Madison Mahon, Carlin City Manager, stated that data was from Clark County, as part of the Applied Analysis Report. The gap year analysis, if no entity decided to claim that \$.75 it would result in a net decrease of property tax. With that, because of the way that abatements are assessed with caps I believe it's a 3% cap, but the \$.75 decrease would decrease the amount of revenues coming in and the revenues wouldn't stabilize for another eight or nine years, I believe it wasn't until 2028, because of the way that abatements are capped from ebbing and flowing. They're capped at 3% so that there's stability within the fund both for the property owner and the municipalities collecting the fund. So that gap year scenario where the

\$.75 fell off but then in the following fiscal year was taken back up, you just saw the assessed valuation not able to recover because of that decrease in property values for that first year.

- l. Councilperson Kinney stated so that would be bad for us and the citizens. They wouldn't have the extra \$.75 for tax but then we would not have the revenues we would need, and we would have to come again to the people and say hey we don't have enough money to support all these.
- m. Madison Mahon, Carlin City Manager, stated it would have a large effect on the county is what I understand, too, because the \$.75 impact on the number of residents and the assessed valuations the county has is much greater than the impact it has on our, just because of the number of homes and assessed valuation within Carlin.
- n. Mayor Holbrook stated if all the cities said no and I believe there's a chart somewhere that I saw, that if the county was able to absorb the full \$.75 it would be like \$17 million.
- o. Madison Mahon, Carlin City Manager, stated \$17 million in additional year-to-year revenue if the county were to if assume the full \$.75. If the city were to assume the full \$.75 it would equate to about \$300,000 more in annual revenue.
- p. Councilperson Kinney stated also within the Nevada statutes, even if the county did take the whole \$.75, they can't allocate that to other municipalities, is that correct?
- q. Madison Mahon, Carlin City Manager, stated correct. That's prohibited. In some form of a gentlemen's agreement, I assume in the past they may have taken the \$17 million and then said they would divvy it up amongst municipalities. That's prohibited by statute. There is some discussion that those monies can be used for services that service all Elko County residents but in the case of Carlin few and far between projects would benefit all county residents. The best example I could come up with and this isn't even a true example but 93, that's a state route but if that were to be a county route that's a route that a large portion of the county does utilize say to get up to Idaho. That could be a utilization of those funds, but it would have to have a justifiable use to most of the county to be used for that fund.
- r. Councilperson Kinney asked what about the 911 project or dispatch, or does not all the entities benefit from that?
- s. Madison Mahon, Carlin City Manager, stated that would be an allowable use because all the county uses dispatch or 911.
- t. Councilperson Kinney stated so that would help with, not too long ago they were looking at upgrading the systems, so would that help with that cost?
- u. Madison Mahon, Carlin City Manager, stated I do think that would be an allowable use from my understanding of the statute, how you can't share actual funds, but you can share projects.

- v. Mayor Holbrook stated that would be one thing that by waiting until the county does theirs, we would see what they're proposing to do and then we sort of look in on that. The other thing we must realize is that whoever gets it, if next year we put it back to pay-as-you-go and the taxpayers say alright school district, we think that you guys can utilize it now and you know what you're doing, then that money just gets abated back. So, everybody would drop back, whoever got any portion of that, next year if that was passed, it goes right back. So, it wouldn't be money that you could make long-term plans with because pay-as-you-go will probably come back on the ballot. Hopefully we get people in our school boards that people are comfortable with, then we sort of go back to doing that. We don't know.
- w. Linda Bingaman, Carlin City Fire Chief, stated basically the way I understand, too, is that if no one takes that \$.75, and I think that's kind of the gap thing, that you would not ever be able to for many years be able to collect that full amount because you can only raise your taxes so much per year and you would never get to that dollar value for several years, so you use it or you've lost that ability to use it if you don't make that decision now. I would say if you guys are going to wait until after the county, have an idea kind of what you're thinking so that if they ask what you would be doing, you will have an idea so they would know what your thoughts are before that meeting.
- x. Councilperson Johnston stated if we took the \$.75, say we want to go for the whole enchilada, then that money is over \$300,000 for Carlin coming and it goes to the General Fund, and then we could decide as the City of Carlin what to use the money for, correct?
- y. Madison Mahon, Carlin City Manager, stated correct.
- z. Councilperson Johnston stated our options would be to not do anything and hope it goes back and we get lower taxes or do \$.75 but I think it's a good idea to wait until after that meeting and then decide.
- aa. Mayor Holbrook stated I guess on the third scenario that I would be looking at is if all four cities were to go and ask for \$.10 that would leave \$.35 for Elko County. That may be a fair and equitable, \$.10 would bring in \$30 to \$50,000 into Carlin to bring in different amounts for each city. So, we would be getting a little bit, but then there would still be going out, each city would get a little bit and the county would be able to still get a nice chunk for out there. Then it keeps it so that if pay-as-you-go goes in a year or two it's still there. But if everybody puts in for a lot more, if nobody wants to share and the county goes and says \$.75, then I would suspect that everybody will say we all want it and see what the state goes. I would like to think that our county and our cities in the county, that we would all be able to sort it out. I think we can all work together. And that would be the ideal to me. Until I know what the county's doing, I can't make an informed decision

on this. If we don't take any action tonight, I will be calling a special meeting for Wednesday night to discuss this and possibly take action on it.

❖ **Council decided to take no action.**

8. APPROVAL of Expenditures (For Possible Action):

A) Review, discussion, and possible approval of City expenditures for the period of 01/22/2022-02/04/2022, 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 expenditure period of 01/22/2022-02/04/2022. Councilperson Griswold seconded. Motion passed.

9. 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.

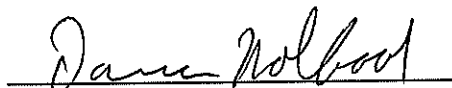
❖ **There was no Public Comment.**

10. Adjournment (For Possible Action):

❖ **Motion:**

Councilperson Johnston moved to adjourn at 10:11 p.m. Vice Mayor Litchfield seconded the motion. Motion passed. Mayor Holbrook adjourned the Carlin City Council meeting.

Approved:


Mayor Dana Holbrook

Attest:


LaDawn Lawson, Carlin City Clerk