

**TONOPAH TOWN BOARD  
MEETING MINUTES  
JANUARY 14, 2015  
TONOPAH CONVENTION CENTER  
301 Brougner Avenue, Tonopah, NV 89049**

Tonopah Town Board Chairman Horace Carlyle called the meeting to order January 14, 2015 at 7:00 p.m. Also present were Duane Downing, Tom Seley, Janet Hatch, and Doug Farinholt. Eleven others were present. Chairman Carlyle led in the Pledge of Allegiance.

Doug Farinholt was present after 7:05 p.m. Duane Downing had to leave the meeting between 7:49 p.m. and 8:24 p.m.

The Town Board recessed to the Library Board of Trustees at 7:17 p.m. and reconvened as the Town Board at 7:35 p.m.

**1. Public Comment**

None.

**2. Election of Officers: Chairman, Vice-Chairman, Clerk**

Duane Downing suggested keeping the same persons in office as last year and asked Horace Carlyle whether he would be willing to stay Chairman which Mr. Carlyle affirmed. He added that Mr. Carlyle has been doing a good job and has the necessary time to dedicate to the job.

Duane Downing motioned Horace Carlyle be Chairman of the Board. Janet Hatch seconded. No further discussion. Motion carried 3-0. 1 absent. 1 abstention.

Horace Carlyle asked Duane Downing if he had the necessary time to be Vice-Chairman of the Board which Mr. Downing affirmed.

Horace Carlyle motioned to nominate Duane Downing as Vice-Chairman of the Board. Janet Hatch seconded. No further discussion. Motion carried 3-0. 1 absent. 1 abstention.

Duane Downing motioned to nominate Tom Seley as Clerk for the Board. Horace Carlyle seconded. No further discussion. Motion carried 3-0. 1 absent. 1 abstention.

**3. Review and approval of minutes, in context, from the regular meeting held December 22, 2014.**

Duane Downing motioned to approve the minutes, in context, from the regular meeting held December 22, 2014. Janet Hatch seconded. No further discussion. Motion carried 4-0. 1 absent.

**4. Review and approval of minutes, in context, from the public workshop held December 17, 2014.**

Janet Hatch motioned to approve the minutes, in context, from the public workshop held December 17, 2014. Duane Downing seconded. No further discussion. Motion carried 4-0. 1 absent.

**5. Discussion, deliberation, and possible action to renew Use and Maintenance Agreement between the Town of Tonopah and Team Roping Club.**

Town Manager James Eason explained that the Team Roping Club was asking for permission to put roping steers in the holding pens. The Team will pay for electricity and water, and will do some maintenance on the chutes. Tom Seley noted the advantages of letting the Team use the grounds as they are committed to keeping the grounds clean and perform some maintenance. James Eason added that the Team has to provide the Town with a certificate of insurance per agreement.

Janet Hatch motioned to renew the Use and Maintenance Agreement between the Town of Tonopah and Team Roping Club contingent upon insurance. Tom Seley seconded. No further discussion. Motion carried 4-0. 1 abstention.

**6. Presentation by Symphony Graphics, Teresa Madsen of revised/updated website design for final board approval.**

Tonopah Public Utilities Account Supervisor Becky Braska explained that Teresa Madsen had a family emergency and cannot attend the meeting. She presented some changes for the website such as that frequently used items are now on the main page, the page is less cluttered, and it presents the local attractions.

Chairman Horace Carlyle asked whether the OHV trails will be on the website. He explained that Wendy Seley of the BLM had shown him how to link the trails to the website. Ms. Braska stated that she is working on it. James Eason noted that the website will show the town map explaining where roads leading out of town take you. He added that the website will not be promoting certain sites such as the sand dunes, to protect the Town from possible liability.

Ms. Braska explained that the website will have a link to SilverFlume, the State's website for business licensing, and to other organizations like the Salvation Army. She asked whether the website can go live with these changes and updates which Chairman Horace Carlyle affirmed.

Horace Carlyle asked new board member Doug Farinholt to introduce himself. Mr. Farinholt explained that he has lived in Tonopah since 1980. He added that he is on the board to do something for the community.

**7. Discussion, deliberation, and possible action to approve/deny request from Tonopah Brewing Company to authorize a payment plan for the Tonopah Brewing Company to satisfy privilege fees payable to the utility.**

Chairman Horace Carlyle recommended tabling this item until the Board has had a workshop with Shaw Engineering. He noted that in his opinion privilege fees are detrimental and have not been addressed by prior boards. He inquired what the duration of privilege fees are, whether it can be terminated, or whether it goes with the property. He voiced concerns about approving more privilege fees as it compromises the Town's ability to grow. Mr. Carlyle questioned the definition of a privilege and whether Tonopah Public Utilities has the right to sell water. He added that he has been talking about putting in a stand-by fee for people that are maintaining a privilege fee without an activated meter or an activated account for 20 or 30 years. Mr. Carlyle

noted that he does not consider it a privilege fee, but an impact fee. He recommended the board members look at the NRS and added that he will never vote for another privilege fee the way it is structured now. Mr. Carlyle inquired what figures are being used to recapture ERUs for development and added that for every ERU sold, you have to keep 700 gallons stored. He added that he questions whether the Town is legally allowed to sell water and how the Town is supposed to know what the privilege fee is going to be.

Duane Downing explained that the issue in this case is not whether the Town sells the ERUs, but whether the Town will allow payments being made. Horace Carlyle noted that ERUs are not sold until payment is made. James Eason explained that the engineers reviewed that the Town has enough ERUs to sell the additional four ERUs. He added that the customer agreed to paying for more ERUs, they are just asking for a payment plan. Janet Hatch stated that Mr. Carlyle has a valid point with his argument, but she asked how the Town can go back from its decision and change its mind. She noted that the Clines have invested money in the Town and that she does not want to change everything in the middle of it, but that the Town needs to work with the Clines. Mr. Carlyle stated that he does not want to deny them the allocation of water, but that he wants it done with a legal definition. He wants to wait until after the workshop to make a decision.

Tom Seley noted that the problem is that of terminology. He agreed that the term used should be impact fee; especially if you have a change of water usage. In this case, the water usage was changed from a car dealership to a restaurant and brewery. His opinion is that the Town should be charging an impact fee as it is guaranteeing the delivery of water and they are stressing the system. Horace Carlyle pointed out that the rules regarding this issue are 30 to 40 years old and last discussed on the Town Board in 2000. As there was no growth, it was not an issue before. Now that there is growth in the Town, the issue needs to be addressed.

James Eason explained that the water study done by Shaw Engineering addresses all those issues. He added that it does not matter whether the term used is privilege fee or impact fee, the Town Ordinance calls it a unit charge and a unit charge refers to an ERU. The property in question had one unit charge associated with it when the ordinance was put in place. The property was dormant and the Town has not received any revenue off of it for years. If the owners want the service turned on, the Town is obligated to provide water. The Town Ordinance does not state that the meter will be pulled if there is no activity. Esmeralda County implemented a stand-by if there is no activity. Mr. Eason explained that the State Water Engineer gives the right to an individual, an entity, or a governmental entity to purchase and own water in the State to put to beneficial use. The Town of Tonopah has done that. The Town has about 4,200 acre-feet of water on the books that it has put to beneficial use. About 1,500 acre-feet are tied up in an application from the Midway Project. The total recharge into the Ralston Valley Basin is 6,000 acre-feet per annual yield. This includes water lost through plants or sun light etc. Shaw Engineering has checked all the water rights, size of wells, pump motors, pipes, and what the Town can deliver. Taking all this into account, they determine how many ERUs the Town has to sell. ERUs can vary and only an engineer can determine and approve what an ERU is. Those numbers are submitted to the State. Then the State Water Engineer determines what the Town needs to deliver at peak demand. Mr. Eason explained that the customer in question purchased a piece of property with an ERU already associated with it that was dormant. Tonopah Public Utilities has to allow them to activate the account. Since the use changed, staff worked with them on getting the necessary information to determine how many ERUs they need. The owners

agreed to that, but asked to be put on a payment plan. TPU cannot authorize that as per the Town Ordinance, only the Board can. Shaw Engineering confirmed that the Town has enough ERUs to serve that. He added that the Town has to commit to that until perpetuity. Mr. Eason noted that the number of dormant meters is anywhere between 300 to 500 meters. This is also calculated into the study by Shaw Engineering. Mr. Eason asked Michael Lach to state his opinion.

Michael Lach, Board member of the Nye County Water District, noted that it is positive that the Board is trying to address the issue and find a solution to have a standard. He explained that he, as a developer in Pahrump, purchased about 25 ERUs because he knew the prices were going to rise. Meters were put in when he purchased the ERUs, but he has no monthly charge until they are hooked up. Mr. Lach explained that any parcel needs to have an ERU associated with it. He added that almost every utility in the nation has an impact fee because the cost of upgrading pumps or maintenance needs to be divided between all customers. He recommends building a standard like giving customers a set amount of time to pay off their fees so that the Town does not have to negotiate this with every single customer. He added that he thinks it is important that the fees are associated with the property and to property taxes. That way, if a customer does not make the full payment and sells the property, the Town will still get their money. Mr. Lach explained that the Town needs to set how much water an ERU equals to. Chairman Horace Carlyle asked whether Mr. Lach would differentiate between a privilege fee and an impact fee. Mr. Lach stated that in his opinion it is semantics what you call it is; what is important is that the Town has a definition what it is. He added that the Town needs to set a minimum amount of ERUs for which customers are allowed to make payments.

Doug Farinholt stated that he sees no harm in tabling this item and that he would like to have more clarity about this issue and that the Town needs to have a policy setting standards. The Board's decision should not be based on one customer. He added that Clark County used to have a meter fee which at one point was about \$2,000. Now these costs are incorporated into the building fees. Mr. Farinholt noted that Town needs to protect itself and have the costs associated with the property. Becky Braska explained that the Town Ordinance already has a provision that addresses that issue.

Clerk Tom Seley asked if the water study had been modified to the point that a workshop can be held. James Eason presented certain dates that Paul Winkelman of Shaw Engineering would be available for a workshop. Horace Carlyle suggested tabling the item until the next regular meeting on January 28, 2015.

Tom Seley motioned to table this action until we receive a briefing on our water study report and place this item back on the January 28, 2015 agenda. Janet Hatch seconded. No further discussion. Motion carried 4-0. 1 absent.

- 8. Deliberation, discussion, and possible action Tonopah Town Board: Submit a nuisance complaint against Sundowner Motel located at 870 N. Main Street Tonopah, NV 89049/AKA T3N R42E S34 SURF-PT CASHBOY. Direct Town Manager to submit within five working days the "nuisance complaint" pertaining to the above property as authorized by the Tonopah Town Board, January 14, 2015.**

Horace Carlyle stated that this item can be pulled because it has been taken care of with the help of the Sheriff's Department.

**9. Department Budget Reports**

Horace Carlyle noted that the report is looking good.

**10. Tonopah Development Corporation Report**

No action taken by the Board.

**11. Town Board Member's/Department Manager's/Nye County Commissioner's Comments**

James Eason explained that up to date the fees collected for the "Let's Get Fit Tonopah" program were \$955; unlimited passes sold were 27 and 29 walk-ins.

James Eason reminded the Board members of the Open Meeting Law & Ethics training on January 21, 2015. Horace Carlyle stated that he plans on attending the training.

James Eason asked the Board what dates would work for a workshop. The Board decided on January 27, 2015. Mr. Eason asked Duane Downing what time would work with his work schedule. Mr. Downing stated he would make it work no matter what time. The Board decided on 5 p.m.

James Eason explained that he will be sending out proposals for overhangs on the back-stops and back-fencing at Joe Friel Sports Complex to two fence contractors. He added that Daniel McArthur will be at the next regular board meeting on January 28, 2015. Mr. McArthur will be pursuing the issue of the half cent sales tax. The question is still whose budget it should reside in. Horace Carlyle stated that he thinks the Town should be responsible for it. Doug Farinholt and Tom Seley agreed. Duane Downing stated that two new positions for the Sheriff's Department have been funded by that money. Horace Carlyle explained that the new sheriff wants to review every existing agreement.

James Eason stated that he has met with Chuck Fox from the Little League. Fields are being prepared for the spring sports. He added that the Nevada Division of Forestry has filled two new positions and that they will be hiring 4 more people.

James Eason asked Dan Tarnowski to give the Board feedback. Mr. Tarnowski of the Nevada Rural Water Association stated that they had a board member survey workshop in October 2014 about where the system is, where they can gain more knowledge, and where do they feel weak. Three areas that members wanted more information on were dominant. Operational optimization was one topic that was important to the members. Questions asked were: Can renewable resources be used? Can we be more efficient? Can we reduce electrical or chemical cost etc.? Another topic was operational resiliency. Questions asked were: Do we have an emergency response plan in place? Does the board know it? Who would be the spokesperson? One more topic was what ERUs and privilege fees are. Mr. Tarnowski stated that the problem is terminology and that the cost for an ERU should be based on usage. Horace Carlyle inquired what Mr. Tarnowski's opinion was on the status of historical customers. Dan Tarnowski stated that they paid for a service agreement so they have the right to that service. He added that ERUs

change from system to system. Horace Carlyle noted that the Nevada Rural Water Association gave a list of recommended responsibilities of a manager. He added that there is a page of reports that he would like to have so that he know what questions to ask and how to perform evaluations. In his opinion, the Board needs to have the knowledge and ask the right questions to try to establish policies for the direction of the Town Manager. Mr. Carlyle added that he wants to know what the water is shrinkage is because he thinks the Town is losing revenue. James Eason explained that what Mr. Carlyle was referring to was that the Town historically had a water loss of 23%. It is now down to 14%. Mr. Tarnowski added that 8-10% water loss is considered a "tight system".

Jess Rosner of the NyE Communities Coalition announced that there will be a customer service and hospitality training in Town in February. At least 50% of the cost has to be paid by an employer, but the Clines, owners of the Mizpah, will be paying this cost for everybody so that everybody can attend. Trainings are at three different times. The Coalition intentionally scheduled one training time for 3-5:30 p.m. so that High School students can attend also. James Eason added that the Coalition visited businesses in town to promote the training. He stated that Town employees will also be attending. Jess Rosner explained that all proceeds of the dinner that will be held at the end of the training will be donated to two organizations in town.

Horace Carlyle inquired whether the Board can inquire what the sales price would be for "Dr. D's property" so the Town can clean it up. James Eason explained that the Town is allowed to clean the property up and then they can talk to him again.

## **12. Public Comment**

Jess Rosner stated that the NyE Communities Coalition will hire him as the new person responsible for the Tonopah Office in a month. His role will be expanded drastically and he has been doing a lot of training for that. The Coalition will be hiring three new positions including a licensed social worker. Mr. Rosner added that Janet Hatch had asked to be informed about the Juvenile Probation Officer position. This item was on the BOCC meeting agenda for January 5, 2015. The Coalition went before the board and asked to have the position here in town. The board told the Coalition to keep reminding them. Duane Downing noted that Nye County might not have enough funding to have the position filled.

Michael Lach stated that he can help take the trailer across from Nevada State Bank out when the time comes to save the Town money. He asked to be given about a month notice so he can arrange to have the necessary crews.

Horace Carlyle asked Deputy Town Clerk Kat Galli to make sure a Notice of Possible Quorum will be posted for the Open Meeting Law & Ethics Training. Kat Galli explained it will be posted the following day. James Eason inquired whether this would be necessary as the members will not be making a decision. Administrative Supervisor Chris Mulkerns stated it would be best to post a notice as we know members will be there.

**13. Closure of meeting, pursuant to NRS 288.220 for purposes of conferring with Town's Management Representative regarding labor negotiation issues, and other personnel issues.** No action taken by the Board.

**14. Closed meeting, Pursuant to NRS 288.220 for purposes of conferring with Town's Management Representative regarding labor negotiation issues, and other personnel issues** No action taken by the Board.

**15. Deliberation, discussion and possible decision on labor negotiations, issues and other personnel matters presented in the closed meeting** No action taken by the Board.

**16. Correspondence**

Nye County BOCC Agenda, January 5, 2015

Round Mountain Town Board Meeting Agenda, December 23, 2014

Round Mountain Town Board Meeting Minutes, October 28, 2014

Round Mountain Town Board Meeting Minutes, November 10, 2014

Tonopah Convention Center Report for September 2014, October 1, 2014

Tonopah Senior Housing Project

Tonopah Convention Center Report for December 2014, December 31, 2014

Tonopah Room Tax Report for the Month of November 2014, Collected December 2014

State of Nevada Department of Conservation & Natural Resources, Division of Environmental Protection, Proposed Amendments to NAC 278, December 16, 2014

Nye County BOCC Meeting Summary, January 5, 2015

Nye County Airports-December 2014 Status Report, December 31, 2014

Beatty Town Advisory Board Meeting Agenda, January 12, 2015

Year 2015 Legal Holidays

Letter from Lisa Westerlund, Appointment to the Tonopah Town Board, January 7, 2015

Round Mountain Town Board Meeting Agenda, January 13, 2015

E-mail from Lorina Dellinger, Open Meeting Law and Ethics Training, January 8, 2015

E-mail from Kim Lara, Nye County Treasurer Trust Properties 2015, January 7, 2015

NyE Communities Coalition Tonopah Newsletter, January 2015

Nye County BOCC Agenda, January 20, 2015

NyE Communities Coalition Flyer, Customer Service Training


**17. Approval of vouchers for payment**

The Board reviewed and signed the vouchers. Duane Downing motioned to approve the vouchers as presented for payment. Tom Seley seconded. No further discussion. Motion carried 5-0.

**18. Adjourn**

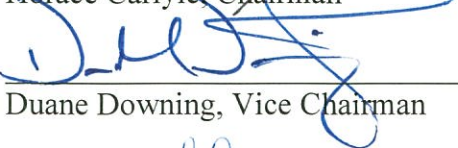
The meeting adjourned at 9:15 p.m.

Minutes transcribed by:

  
\_\_\_\_\_  
Kat Galli, Deputy Town Clerk

Approved:

  
\_\_\_\_\_  
Horace Carlyle, Chairman

  
\_\_\_\_\_  
Duane Downing, Vice Chairman

  
\_\_\_\_\_  
Tom Seley, Clerk

  
\_\_\_\_\_  
Janet Hatch, Member

  
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Doug Ramholt, Member



**TONOPAH LIBRARY BOARD OF TRUSTEES  
MEETING MINUTES  
JANUARY 14, 2015  
TONOPAH CONVENTION CENTER  
301 Brougner Avenue, Tonopah, NV 89049**

The Tonopah Library Board of Trustees meeting was called to order January 14, 2015 at 7:17 p.m. by Duane Downing. Also present were board members Horace Carlyle, Janet Hatch, Tom Seley, and Doug Farinholt. Eleven others were present.

**1. Public Comment**

Acting Librarian Dianne Ryals stated that everything is going great at the Library. The new employee Tawnia Seward is doing great too. She asked for donations of blue jeans to make seating cushions for the children's area.

**2. Election of Officers: Chairman, Vice-Chairman, Clerk**

Duane Downing motioned to nominate Tom Seley as Chairman. Horace Carlyle seconded. No further discussion. Motion carried 4-0. 1 abstention.

Duane Downing motioned to nominate Janet Hatch as Vice-Chairman. Horace Carlyle seconded. No further discussion. Motion carried 5-0.

Horace Carlyle motioned to nominate Duane Downing as Clerk. Tom Seley seconded. No further discussion. Motion carried 4-0. 1 abstention.

**3. Review and approval of minutes, in context, from regular meeting held December 22, 2014**

Horace Carlyle motioned to approve the minutes, in context, from the regular meeting held December 22, 2014. Janet Hatch seconded. No further discussion. Motion carried 4-0. 1 abstention.

**4. Library Budget Report**

Horace Carlyle stated that he does not like the revenues. Janet Hatch inquired whether the Town does not pay worker's comp. Administrative Supervisor Chris Mulkerns explained that the County pays this. Town Manager James Eason added that they even have to pay for volunteers. Horace Carlyle asked if the County is running 90 days late on consolidating tax. James Eason explained that is regarding the personal property tax and resulting from problems with the assessor's office. He added that an audit will be done of this office.

Duane Downing noted that the Town is well within their budget and doing well.

**5. Library Board Member's/Department Manager's Comments**

Horace Carlyle stated he would talk to Demco to get an upgrade on what they will be going. He expected a much more extensive plan. Tom Seley and Janet Hatch agreed.



James Eason explained that the Smokey Valley Library will be bankrupt by June if things do not change. They overspent their budget and will have to do drastic cuts. The State has pulled back about \$350,000 to \$400,000 in tax dollars that the mines over-contributed. The Smokey Valley Library did not make the necessary adjustments.

James Eason noted that the Town has to verify that Janet Hatch and Doug Farinholt have been appointed to the Library Board of Trustees by the Board of County Commissioners. Chris Mulkerns explained that she confirmed this with the Nye County Clerk's Office. Horace Carlyle pointed out that the members of the board have to remember to file their taxes as an appointed member.

**6. Public Comment**

None.

**7. Correspondence**

None.

**8. Approval of vouchers for payment**

The Board reviewed and signed the vouchers for payment. Horace Carlyle motioned to approve the vouchers as presented for payment. Janet Hatch seconded. No further discussion. Motion carried 4-0.

**9. Adjourn**

Meeting adjourned at 7:35 p.m.

Minutes transcribed by:


  
\_\_\_\_\_  
Kat Galli, Deputy Town Clerk


Approved:

  
\_\_\_\_\_  
Tom Seley, Chairman

  
\_\_\_\_\_  
Janet Hatch, Vice-Chairman

  
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Duane Downing, Clerk

  
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Horace Carlyle, Member

  
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Doug Farinholt, Member

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