

TONOPAH TOWN BOARD  
MEETING MINUTES  
DECEMBER 23, 2015  
Tonopah Convention Center  
301 Brougner Avenue, Tonopah, NV 89049

Tonopah Town Board Chairman Horace Carlyle called the meeting to order December 23, 2015 at 7:01 p.m. Also present were Doug Farinholt, Tom Seley, and Duane Downing. Janet Hatch was absent. Twenty-one others were in attendance. Chairman Carlyle led in the Pledge of Allegiance.

The Town Board recessed to the Library Board of Trustees at 7:20 p.m. and reconvened as the Town Board at 7:25 p.m.

The Town Board recessed to the Public Hearing between 7:44 p.m. and 8:03 p.m.

The Town Board recessed to the Library Board of Trustees at 8:22 p.m. and reconvened as the Town Board at 8:39 p.m.

1. Public Comment

None.

2. Review and approval of minutes, in context, from the regular meeting held November 24, 2015.

Duane Downing motioned to approve the minutes, in context, from the meeting held November 24, 2015. Doug Farinholt seconded. No further discussion. Motion carried 4-0.

3. Review and approval of minutes, in context, from the regular meeting held December 9, 2015.

This item was tabled.

4. Discussion, deliberation and possible decision to accept or decline NV Energy Charging Station Shared Investment Agreement: authorize execution of said agreement, if accepted, and all documents necessary to facilitate said agreement.

Administrative Manager Chris Mulkerns stated that she was asked at the last Board meeting to contact Tesla about adding NV Energy charging stations to their plans and find out whether they were willing to share cost for this project. She added that both agreements were sent to Wayne Carlson with POOL/PACT who responded that both agreements were covered with the existing liability insurance. Mr. Carlson had suggested making a few changes in the agreements as far as language which both NV Energy and Tesla agreed to.

Board member Doug Farinholt pointed out that he had inquired about the cost of the installation of the charging stations. Ms. Mulkerns explained that Tesla had responded to the Town with what the cost would be for Tonopah to install the NV Energy charging stations. She noted that they did everything they could do as far as sharing cost. She

emphasized that the Town's cost would be \$67,000 in addition to the cost of the chargers of about \$41,000. She stressed that the abatement cost was not included in this. Marie Steele of NV Energy noted that this cost was around \$30,000. She noted that the best strategy would be for the Town Board to make a counter offer for her to take back to NV Energy. Tom Seley voiced concerns about spending so much of the Town's money and noted that he was unsure that the Town would be able to generate enough revenue through room tax etc. to make this project worthwhile. Vice-Chairman Duane Downing suggested countering the NV Energy offer with a \$97,000 abatement and showing them that the Town is serious.

Tonopah resident Chuck Fox stated that other businesses or private property owners should be approached before the Town lets Tesla use the Town's property for free without the Town getting anything out of it. He added that NV Energy owns property in Tonopah that they can use for their charging stations. Duane Downing stressed that the location of Pocket Park would be ideal as they can walk to restaurants and stores and therefore benefit the businesses in Town. He added that he believes that if NV Energy is added, it can be a revenue stream for the Town later down the road.

Ms. Steele explained that NV Energy put out a solicitation in June of 2015 for businesses to participate in the Nevada Electric Highway. She stated that a lot of businesses from Tonopah applied but that the Town of Tonopah had the best application and was therefore their preferred partner. She noted that if the agreement will not be approved at this meeting, NV Energy will approach other entities.

Duane Downing motioned to accept the NV Energy Station Shared Investment Agreement, authorize execution of said agreement with the condition that the abatement be given from NV Energy to the Town of Tonopah at \$97,000, and if that is approved, we would go through with it, and authorizing Chairman or Acting Chairman to sign the agreement. Doug Farinholt seconded. No further discussion. Motion carried 4-0.

5. Discussion, deliberation and possible decision to accept or decline Tesla Supercharge Agreement; authorize execution of said agreement, if accepted, and all documents necessary to facilitate said agreement.

Clerk Tom Seley inquired whether he read the agreement correctly that Tesla can use Town property free of charge for 5 years with two exclusive options to extend this agreement for a total of 15 years which Chris Mulkerns affirmed. Mr. Seley added that Tesla accepts all cost and liability for the construction, maintenance and possibly the removal of the stations. Ms. Mulkerns explained that the removal of the stations at the end of 5 years is a possibility. She stressed that charging Tesla for the use of the property after 15 years is not in the agreement.

Chris Mulkerns noted that Wayne Carlson of POOL/PACT had reviewed the agreement and had informed the Town that their liability insurance covers this.

Duane Downing inquired what the cost for the installation of the charging station would be for Tesla. Ms. Mulkerns stated that she does not know all numbers. Horace Carlyle

stressed that one is looking at \$107,000 just for the infrastructure. Doug Farinholt noted that the Town gets upgrades to the downtown area which will benefit everybody.

Tonopah resident Deb Cobb stated that she has a few questions. She stated that the cost of the project should be known before decisions are made. Ms. Mulkerns emphasized that the Town of Tonopah will not have any cost with the Tesla project as all cost will be carried by Tesla. She asked what the financial benefit of the Tesla charging stations would be for the Town of Tonopah if Tesla leaves. Duane Downing stressed that the property will still be there as it is now. He pointed out that Tesla will leave the infrastructure which means they upgraded the Town's property. Ms. Cobb inquired whether the liability will be covered by the Town. Ms. Mulkerns explained that Tesla has \$5 million liability insurance for anything they are liable for. The Town's insurance would cover events on the property such as Farmer's Market.

Tonopah resident Chuck Fox inquired why the Town does not charge a billion dollar company like Tesla to use the property. Doug Farinholt explained that the Town gets infrastructure and upgrades. He added that Tonopah will have an increase in tourism and traffic. Duane Downing noted that there is a potential revenue stream in the future. He emphasized that if the Town sold the property, they would only sell it for what they bought it for, around \$30,000. He noted that keeping it brings the Town more benefits than selling it.

Tonopah resident Ed Tomany asked for clarification on the motion on item 4 and discussions on item 4 and 5 which Duane Downing responded to.

Marie Steele pointed out that all electric vehicles can charge at NV Energy charging stations whereas only Tesla vehicles can charge at Tesla charging stations.

Duane Downing motioned to accept the Tesla Supercharger Agreement, authorize execution of said agreement, if accepted, and all documents necessary to facilitate said agreement. Doug Farinholt seconded. No further discussion. Motion carried 4-0.

### **Timed Item: Public Hearing**

- 1) For possible action, discussion and deliberation to adopt, amend and adopt or reject Tonopah Town Bill No. 2015-03: an ordinance amending Title 22 of the Nye County Code by repealing Sections 22.02.015 and 22.02.020, which annexed into the Unincorporated Town of Tonopah Boundaries the area of the Tonopah Library District and consolidated the legal description of the entire Unincorporated Tonopah Town Boundary; providing for the severability, constitutionality and effective date hereof, and other matters properly relating thereto.

Chairman Horace Carlyle asked for public comment.

Latrice Whitmore asked why this was being repealed at this point when residents "were stuck with it" a few months ago. Chris Mulkerns explained that it has to be repealed because property owners were not notified properly when the Town went through the

original process. Ms. Whitmore inquired whether this means the property owners are not going to be “cut loose”, it is only being repealed to be done correctly again, which Duane Downing affirmed. Ms. Whitmore asked whether the property owners would be able to give input at that time. She asked if the Board would consider voting against it if 95% of the property owners were against it. Mr. Downing assured her that the Board would listen but that property owners would not be against it once they heard what the money was for. Ms. Whitmore inquired what the boundaries of the taxing district would be. Mr. Downing answered that it would include the Library Taxing District. He added that the reason the Town started this process was to offset the Town’s expense for the Hospital District. Ms. Whitmore noted that the reason residents live where they do is because they do not want to be part of a Town and have to obey the Town’s ordinances. Mr. Downing stressed that he was not aware of any of Tonopah’s ordinances that are different from the ones of Nye County and that might adversely affect the residents in that area. He stated that all ordinances are online to be reviewed. Tom Seley pointed out that residents of that area would be able to be members of the Town Board and could represent their rural lifestyle.

Property owner Tom Hurst noted that a number of his parcels were “annexed illegally, violating NRS, earlier this year”. He stated that he supports the repeal and that he hopes the Board will not go through the annexation process again. Mr. Hurst added that if he wanted to be part of Tonopah, he would have bought property in Tonopah. He stated that Tonopah does not provide any services to the rural areas and asked the Board to “leave me alone”. Mr. Hurst noted that Tonopah wanted to annex a large portion of Nye County to which Tom Seley replied that other taxing districts are just as large.

Chairman Horace Carlyle closed public comment.

- 2) This ordinance shall be in force and effect from and after the 22<sup>nd</sup> day of January, 2016.

Duane Downing proposed adopting Tonopah Town Bill No. 2015-03: an ordinance amending Title 22 of the Nye County Code by repealing Sections 22.02.015 and 22.02.020, which annexed into the Unincorporated Town of Tonopah Boundaries the area of the Tonopah Library District and consolidated the legal description of the entire Unincorporated Tonopah Town Boundary; providing for the severability, constitutionality and effective date hereof, and other matters properly relating thereto. The effective date of this ordinance will be January 22, 2016. 4 Ayes-0 Nays.

6. Discussion, deliberation and possible decision to accept or reject a quote from Mammoth Mechanical, Inc. for replacement of HVAC equipment at Convention Center; cleaning and repair of existing duct work.

Tom Seley noted that this quote addresses the questions the Board had previously as to which duct is going to be repaired. He added that he appreciates the fact that the ducts will be easier to access for cleaning.

Utility Manager Joe Westerlund explained that there have been air conditioning issues in the past. These repairs will help cool the Convention Center in the summer and heat it in the winter. He noted that this will be a huge upgrade to the building. Mr. Westerlund

explained that Mammoth Mechanical has been doing a lot of HVAC work for the Town in the past.

Chris Mulkerns clarified that the Board approved upgrading certain parts of the Convention Center in the past and that this project is part of the 5-Year Capital Improvement Plan. She noted that the funding for the HVAC unit will come out of capital projects and that the rest will be paid from the Convention Center's budget.

Duane Downing motioned to accept the quote from Mammoth Mechanical, Inc. for replacement of HVAC equipment at the Convention Center; cleaning and repair of existing duct work in the amount of \$18,980, \$12,380 will come out of capital projects and \$6,600 will come out the budgeted Convention Center building and repair fund. Tom Seley seconded. Doug Farinholt asked whether this is the last repair to bring the system up to speed which Joe Westerlund affirmed. No further discussion. Motion carried 4-0.

7. Discussion, deliberation and possible action to approve to plan and host a Tonopah Community Mixer in either January or February 2016.

Town employee Christy Perry updated the Board on the Santa Crawl which took place in December (see correspondence). She noted that the net profit was \$1,499.88 bringing the Tonopah Tourism/ Events Fund balance to \$2,390.62. She explained that she would like to use this money to host a Tonopah Community Masquerade Celebration. Her plans are to host the event on February 13, 2016. She hopes to establish new community relationships and build on the already existing relationships. Ms. Perry stated that she would not charge admission and that the money collected through previous events would be used to buy hors d'oeuvres. She added that the event would take place in the Convention Center, there would be a DJ or a band and she would ask a local group to host a cash bar. Ms. Perry stated that dressing up for the Masquerade is optional.

Christy Perry pointed out that she would like to host the next wine walk on March 12, 2016 as a "Leprechaun Beer Crawl".

Tom Seley asked how Ms. Perry would advertise this event. She explained that it would be part of the KIBS radio ads and flyers would be put in every hotel room the night before.

Tonopah resident Cindy Kaminski stated that Ms. Perry is doing a great job and that she believes the Town should charge for the event as there will be food, a band or DJ etc. She pointed out that the wine walks are successful as the Town only charges \$15 to participate including the glass or mug. She noted that even if the Town would charge \$5 for the Masquerade, people would still attend. Chris Mulkerns agreed with Ms. Kaminski and added that she believes \$5 is a good suggestion. Christy Perry suggested charging \$5 in advance and charging a higher fee at the door so that she can get an idea of how many people will attend by selling advance tickets.

Duane Downing motioned to approve to host a Tonopah Community Mixer on February 13, 2016 to be held at the Tonopah Convention Center at no cost to the organizer. Tom Seley seconded. No further discussion. Motion carried 4-0.

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

Christy Perry stated that she has been working on obtaining quotes for the monument for the Javier "Harvey" Gonzalez Memorial Park and organizing a dedication.

Joe Westerlund updated the Board on the generator project. He noted that everything is going smoothly and that the project is on track.

Mr. Westerlund noted that there are some changes to the relining project as some pipes need to be repaired differently as they are almost completely deteriorated. Due to frozen ground, this will have to wait a few weeks. Mr. Seley asked if the project is still on track. Mr. Westerlund explained that certain areas will have to be taken care of in the future but stressed that the worst areas are repaired which will help lowering call-outs.

9. 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.

10. 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.

11. Discussion, deliberation, and possible decision on labor negotiations, issues and other personnel matters presented in the closed meeting.

No action taken by the Board.

12. Correspondence

Tonopah Room Tax Report for November 2015, Collected December 2015  
Round Mountain Town Board Special Meeting Agenda, December 15, 2015  
Letter (and backup) from Chris Mulkerns to David Fanning re: Slime Wash Drain Project, December 11, 2015  
Update Report for Tonopah Santa Crawl  
Beatty Town Advisory Board Meeting Agenda, December 21, 2015  
Round Mountain Town Board Meeting Cancellation Notice, December 22, 2015  
Nye County Board of County Commissioners Meeting Agenda, December 15, 2015

13. Approval of vouchers for payment

The Board reviewed and signed the vouchers. Tom Seley motioned to approve the vouchers as presented for payment. Duane Downing seconded. No further discussion. Motion carried 4-0.

14. Public Comment

Tonopah resident Ed Tomany stated that he would like to know the anticipated revenue through the annexation of the taxing district that was repealed tonight. He asked whether the loss in revenue could have been offset by charging NV energy or Tesla for the use of Pocket Park for their charging stations. Duane Downing explained that the collection from the taxing district would make up what the Town contributes towards the Hospital District. Chris Mulkerns apologized for not having the exact numbers with her and added that the revenue would be lower than what the Town gave up.

Chuck Fox asked who will take care of the snow and trash removal at Pocket Park. Duane Downing clarified that the maintenance of their “part” of the property is the responsibility of Tesla, the Town would have to take care of the NV Energy part of it. Mr. Fox pointed out that the Town will have maintenance cost associated with the NV energy charging stations.

Mr. Fox stated that he was disappointed that Horace Carlyle did not make the same announcement as he did at the Board of County Commissioner’s meeting the week before. He noted that he believes he owes his constituents respect. Mr. Carlyle replied that Mr. Fox and “his associates” have not shown him respect and that he will take care of his public duties the following morning.

Tom Hurst commented on the public hearing matter again. He asked why Towns like Belmont, Manhattan and Round Mountain are not part of the Tonopah Library District. Tom Seley and Duane Downing explained that they are part of the Round Mountain Library District. Mr. Downing added that he believes Tonopah is the only Town in Nye County where the Town taxing boundary is drastically smaller than the Library taxing boundary. He stressed that the reason for the annexation was to make up for money that the Town gave up towards the Hospital District to ensure medical services for an area that encompasses a 250 mile radius. Mr. Hurst questioned why the Town is now giving money to the Hospital District when they did not before. He commented that a hospital should be able to sustain itself. Doug Farinholt replied that he as a former Nevada Rural Hospital Association and United States Rural Hospital Association member knows that as of 24 months ago, more rural hospitals have closed in the U.S. than in the preceding 17 years combined. He stressed that whoever believes that rural hospitals are making any kind of real profit is wrong. Mr. Farinholt explained the situation of rural hospitals and their ways of making profit in detail.

Tonopah resident Deb Cobb stated that Mr. Hurst has offended a lot of people attending the meeting by the comments he made regarding the community and the local Library.

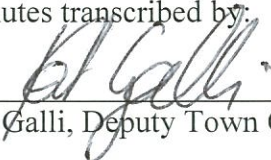
Duane Downing emphasized that he can assure Mr. Hurst, from personal and professional experience as a police officer, that the hospital is needed in this area to service Tonopah and all surrounding areas to save lives. He stressed that the Town will do anything they can to support having medical services.

Latrice Whitmore asked whether the residents of Lower Smokey Valley would still vote in Round Mountain as they do now if they are annexed into the Tonopah Taxing District. Duane Downing noted that that could be possible. Ms. Whitmore stated that she was informed by an employee of the Sheriff's Department a few years ago that the Lower Smokey Valley is serviced by Round Mountain first. Duane Downing explained that as an employee for the Sheriff's Department he can inform her that this is not true. He added that about 90% of the time, the Sheriff's Department will respond from Tonopah. Ms. Whitmore asked whether the same applies for the ambulance service which Mr. Downing affirmed. Mr. Downing stressed that this has nothing to do with the Town as these services are County services.

15. Adjourn

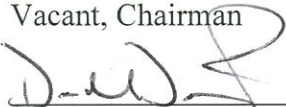
The meeting adjourned at 9:12 p.m.


Minutes transcribed by:

  
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Kat Galli, Deputy Town Clerk

Approved:

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Vacant, Chairman

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

  
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Tom Seley, Clerk

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

\_\_\_\_\_  
Doug Farinholt, Member





TONOPAH LIBRARY BOARD OF TRUSTEES  
MEETING MINUTES  
DECEMBER 23, 2015  
TONOPAH CONVENTION CENTER  
301 Brougher Avenue, Tonopah, NV 89049

The Tonopah Library Board of Trustees meeting was called to order December 9, 2015 at 7:20 p.m. by Tom Seley. Also present were Horace Carlyle, Duane Downing, and Doug Farinholt. Janet Hatch was absent. Twenty-one others were in attendance.

The Tonopah Library Board of Trustees recessed to the Tonopah Town Board at 7:30 p.m. and reconvened as the Tonopah Library Board of Trustees at 8:22 p.m.

1. Public comment

None.

2. Review and approval of minutes, in context, from the regular meeting held November 24, 2015.

Horace Carlyle motioned to approve the minutes, in context, from the regular meeting held November 24, 2015. Duane Downing seconded. No further discussion. Motion carried 4-0.

3. Review and approval of minutes, in context, from the regular meeting held December 9, 2015

This item was tabled.

4. Discussion, deliberation and possible action to accept the Annual Audit for the Tonopah Library District for Fiscal Year 2014/2015 as presented by Daniel C. McArthur, Ltd.

Daniel McArthur, reviewed the Tonopah Library District Audit Report for June 30, 2015. He referred to the Independent Auditors Report in the Financial Statement. He indicated that the Financial Statement is clean and there are no problems with it. During the Audit process there was no conflicts or disagreements with Management. There are no significant estimates inside the Financial Statement.

He went on to discuss the Emphasis of Manner, Correction of Prior Period Error. A couple years ago the Library District began to put money into a special account with the Western Community Foundation. At that time because the way the agreements had been written the money would be deemed an asset owned by the Library District. Following up on it has determined that it had been left as one of the financials of the Library District. It should not be included in the Financial Statement and was removed. The District had been maintaining a Gift Fund. This has been removed from the Financial Statement and now the balance of the Gift Fund indicates a zero balance. A specific individual had donated this endowment to the Library Foundation in 2009 and it has grown with interest for 10 to 15 years. At a point in time it matured and the principle came to the Library District. This is putting that principle back out there so it will continue to earn interest and not get lost in daily operations.

The District now has two funds. A General Fund where the bulk of operations takes place where the Library District is in great standing and the smaller Capitol Projects Fund which will be used for Library improvements.

Under Statutory Requirements there was no non-compliance issues in the current year or the prior year.

Horace Carlyle made the motion to approve the Annual Audit for the Annual Audit for the Tonopah Library District for Fiscal Year 2014/2015. Doug Farinholt seconded. No further discussion. Duane Downing was absent for the vote. Motion carried 3-0.

5. Library Board Member's/Department Manager's comments

None.

6. Correspondence

None.

7. Approval of vouchers for payment

The Board reviewed and signed the vouchers. Tom Seley motioned to approve the vouchers as presented for payment. Duane Downing seconded. No further comment. Motion carried 4-0.

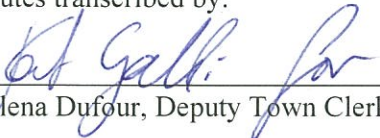
8. Public comment

None.

9. Adjourn

The meeting adjourned at 8:37 p.m.

Minutes transcribed by:

  
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Marlana Dufour, Deputy Town Clerk

Approved:

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

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

  
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Duane Downing, Clerk

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Vacant, Member

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Doug Farinholt, Member