

**TONOPAH TOWN BOARD
BUDGET WORKSHOP MINUTES
MARCH 04, 2015
TONOPAH PUBLIC LIBRARY
167 South Central Street, Tonopah, NV 89049**

Tonopah Town Board Chairman Horace Carlyle called the budget workshop to order March 4, 2015 at 8:43 a.m. Also present were Duane Downing, Tom Seley, and Janet Hatch. Six others were in attendance. Chairman Carlyle led in the Pledge of Allegiance.

Doug Farinholt was present after 9:04 a.m.

The Town Board recessed to the Library Board of Trustees at 11:42 a.m. and reconvened as the Town Board at 12:50 p.m.

1. Public Comment

None.

2. Discussion: Budget Workshop; All Town Departments/Tonopah Public Utilities for FY 2015/2016

Chairman Horace Carlyle suggested starting with the Tonopah Memorial Swimming Pool and the Tonopah Historic Mining Park so that Christy Perry could get back to the Park as soon as possible.

Tonopah Memorial Swimming Pool

Pool Manager Christy Perry presented different ideas she had for the pool and explained what equipment she would need:

- Color-coded wristbands to differentiate between swimmers and non-swimmers
- New lifejackets (a lot of the old ones are torn)
- Two lifeguard stands
- Two ring buoys (Health Department Requirement)
- Two eye washing stations (Health Department Requirement)
- An additional shepherd's crook (Health Department Requirement)
- Lifeguard rescue CPR mannequin to train lifeguards for rescues (during opening hours)
- Dry deck tiles to prevent slipping (a coating would cost \$6,000)

Christy Perry stated that she and Account Supervisor Becky Braska have been working on applying for grants to purchase the required equipment. The items total \$9,414.80. Depending on the grant that the Town of Tonopah might get, the cost might be reduced by 50% or 75%. Administrative Supervisor Chris Mulkerns inquired when she would have an answer whether the town would get the grant. Christy Perry explained that the request has not been submitted yet.

Town Manager James Eason noted that the pool tiles burst off during the winter every year and have to be replaced. Christy Perry stated that there are enough replacement tiles, that she knows how to tile and would be willing to do it. She added that it would be nice if the pool was resurfaced. She pointed out that the showers do not work properly and that there was only one working shower at the end of the season last year. Ms. Perry asked whether it would be possible to replace the faucets to a temperature adjustable system. James Eason explained that the push button system was installed because they turn off by themselves. He added that he had talked to Town Maintenance Foreman Manny Linares about purchasing a separate water heater.

Horace Carlyle asked what happens if the Town does not have the pool recoated. James Eason explained that the he would like to have it replastered soon. Mr. Carlyle inquired how much the cost would be and whether it would be around \$100,000.00 which Mr. Eason affirmed. Mr. Carlyle asked what the longevity would be. Mr. Eason explained that the last time the pool was coated was in 2000.

James Eason noted that the sand filter is still original and was purchased in 1978. He noted that it is due to good maintenance and not using the pool year round that the sand filter is still functional.

Horace Carlyle asked whether it would be around \$150,000 to \$200,000 total to recoat the pool, fix showers etc. Chris Mulkerns inquired whether everything would have to be done this season or before the next season. Horace Carlyle asked when the pool will open. Christy Perry noted that it will open the Tuesday after Jim Butler Days at the end of May. James Eason stated that Christy Perry had set an aggressive goal to open early and that that is great. He added that all maintenance on the pool will be performed during the month of April. Mr. Eason expressed concerns about getting a new sand filter through the doors at the pool and noted that the one in operation will be good one more season. Horace Carlyle asked whether it is better to have major projects taken care of in October after the pool closes and whether there is enough money to fund the necessary projects right now without grant money, if the Town does not get it. Chris Mulkerns explained that there is enough money to purchase the items Christy Perry listed even without grant money in order to comply with all laws and to be able to open the pool.

Christy Perry noted that the following items could be purchased, but are not required:

- Cover for wading pool
- Leaf skimmer (old one has a hole in it)
- Ladder for deep end needs to be installed
- Extra umbrella for lifeguards
- Photometer chemical test kit

Ms. Perry explained that these items would total about \$500.00. Tom Seley asked whether this cost would be covered under the current budget which Chris Mulkerns affirmed. James Eason explained that whatever money for the pool is not spent this fiscal year will go to the general fund next year. Duane Downing inquired whether the budget for the pool this year was \$55,000. Chris Mulkerns affirmed this and added that this amount is for everything, not just maintenance cost. Duane Downing suggested Christy Perry make a list of items and submit it to Chris Mulkerns to be purchased.

Tonopah Historic Mining Park

Horace Carlyle inquired about the head frames at the Mining Park and the lack of money for maintenance. He stated that it is not clear to him what the Town of Tonopah and what the Tonopah Historic Mining Park Foundation is in charge of. James Eason explained that the Park became an asset to the Town in 1992 and the Town accepted the liability. He noted that a lot has happened since and that new trails have been put in. He noted that the Foundation was created in 2000 and that they had an Advisory Board who reported to the Town Board. Mr. Eason pointed out that the Advisory Board did not follow the Open Meeting Law at all times and was therefore eliminated in 2005. He explained that the expenses for the park were too high and the revenues too low. Mr. Eason added that the budget for the park is \$112,000 and that it is the Board's decision what would have to be shut down if the Town had an economic down. He pointed out

that it is the Town's goal to keep the Mining Park open and to train employees to have a lot of knowledge and to be able to work in other areas in town. Mr. Eason noted that Christy Perry does Zumba and Pilates classes, is certified for Aqua Zumba and to train lifeguards, and has done swim lessons.

Mr. Eason stated that the Town of Tonopah had to pay close to one million dollars in grant money back as a former town employee applied for grant money without the Board's approval. He pointed out that the Foundation now does their own books, minutes and grants, and that all the members are volunteers. Mr. Eason referred to Mr. Carlyle's question about the head frames and explained that they were closed off to the public as they pose a safety hazard. He added that the Town received a quote to repair them. Mr. Eason also noted that the local Search and Rescue team inspects the shafts every year and secures timbers.

Horace Carlyle stated that he supports funding the Mining Park to finish projects. James Eason pointed out that the Town only owns the ground and that the artifacts are the property of the Foundation. Mr. Carlyle suggested having a fundraiser to support the Mining Park. He noted that he does not want the park to close and asked what would happen if the Foundation defaulted. James Eason explained that the Town would get all the Foundation's assets. He added that the Foundation is in the process of restructuring, including having meetings in Tonopah, having Daniel McArthur keep their books, and having Deputy Town Clerk Kat Galli keep their minutes. Horace Carlyle inquired who employs Christy Perry. James Eason answered that the Town employs Ms. Perry and Jeff Martin. Chris Mulkerns noted that the revenues from the gift shop go towards the Foundation. Tom Seley asked who is in charge of ordering the shop's stock to which Ms. Perry replied that it is her who orders all the items. She added that she does certain duties for the Foundation including receipts, monthly reports for the bookkeeper, and writing checks.

Tonopah Public Utilities

The following presentation of TPU's revenues and expenditures was given by Chris Mulkerns, unless otherwise noted. The information in parentheses notes discussions, explanations, or facts given.

Water Fund-Department: Administration

- Salaries (one third of Chris Mulkerns' wage: one third Town fund, one third sewer fund; everybody but Joe Westerlund and James Eason is paid based on a step-grade; calculated highest rate possible, might not be what is actually paid)
- Retirement (NVPERS at 28%, budgeted at 30.25%)
- Postage (does not include mailing TPU bills as that comes out of the sewer fund)
- Professional Fees (budgeted amount was raised last year because of engineering cost for the Water Master Plan etc; James Eason recommended raising it from \$35,000 to \$70,000 because of the approved amendment to Shaw Engineering's contract. Duane Downing suggested raising it to \$100,000. James Eason noted that the money would roll over if not used. Duane Downing added that the amount could be reviewed next year. It was decided to raise the budgeted amount to \$100,000.)
- Travel/Training (James Eason suggested raising the budgeted amounts as trainings have been paid for by the Town fund in the past. Travel was raised to \$1,000 and training was raised to \$2,000.)
- All other amounts stayed the same as last fiscal year

Water Fund-Department: Operations

- Salaries (Joe Westerlund's salary and wage of two other employees; Chris Mulkerns asked whether Mr. Westerlund's salary should be divided between the water and sewer fund. Horace Carlyle stated that he thinks it would be more accurate that way. Ms. Mulkerns noted she will have the numbers for the next budget meeting.)
- James Eason noted that the water fund was bankrupt in 2005 and that it has only been a few years since the fund is out of the red. He noted that this was the reason things were done a certain way.
- Operating supplies (will probably go over budget this year; Joe Westerlund explained that a lot of items were one time purchases and that a lot of replacements have taken place. He noted that a lot of meters were acquired and that one meter costs about \$180.00. He believes the budgeted amount should suffice. Horace Carlyle suggested raising it by \$2,000. James Eason proposed raising it to \$20,000. Joe Westerlund explained that a lot of inventory is too old to be used. It was agreed upon to raise the budgeted amount to \$20,000.)
- General insurance (cost for POOL-PACT divided between water fund, sewer fund, and Town fund, with the Town paying the highest amount; unknown what premium will be this year; budgeted higher than necessary)
- Training (Joe Westerlund pointed out that all employees have qualified for scholarships to pay for their training. James Eason suggested raising it to \$3,000 just in case. The Board members agreed.)
- Propane (TPU only has to fill the propane tank for Jack Vanice, the watchman at Rye Patch. Mr. Vanice has been checking for chlorine leaks, cleaning up the property, and reporting problems to Mr. Westerlund for over three years. He volunteers his service in exchange for a place for his travel trailer and for propane.)
- All other amounts stayed the same as last fiscal year

Water Fund-Department: Wells

- Power (cost was reduced because of new system)
- Equipment Repair (went over budget this year, but enough money for next year)
- All amounts stayed the same as last fiscal year

Water Fund-Department: Transmissions

- Power (reduced because of Booster 2 being turned off)
- All amounts stayed the same as last fiscal year

Water Fund-Department: Distribution

- Joe Westerlund explained that a tank inspection will be performed next year.
- All amounts stayed the same as last fiscal year

Surcharge Fund

- Revenues Surcharge set aside to pay off loans for Phase 1 and 2 of the water project
- Revenues budgeted low, but actual collection always higher

Water Sale Revenue

- Automatic \$0.10 increase on price per gallon. James Eason noted that this is set until 2019. Duane Downing added that the increase will be reviewed every year after 2019.

Sewer Fund-Department Administration

- Salaries (one third of Chris Mulkerns' wage and Becky Braska's wage)
- Postage (needs to be raised to mail out water bills; James Eason suggested raising it from \$5,000 to \$6,000. The Board agreed.)
- Professional Fees (James Eason suggested raising the budgeted amount to \$100,000 so engineering fees can be paid by TPU, not the Town. The Board agreed.)
- Training (raised to \$1,000)
- All other amounts stayed the same as last fiscal year

Sewer Fund-Department: Operations

- Salaries (half of Joe Westerlund's salary will be budgeted in this fund from now on)
- All other amounts stayed the same as last fiscal year

Sewer Fund-Department: Treatment Plant

- All amounts stayed the same as last fiscal year

Sewer Fund-Sewer Debt

- Debt is paid off, surcharge now goes towards capital projects
- James Eason explained that the original project cost for the drying beds at the airport was around \$250,000. TPU can either construct six new beds or purchase equipment that would separate water from solids. Joe noted that electricity would be needed to run that equipment. Mr. Eason pointed out that TPU is losing revenue because of the lack of capacity. Mr. Westerlund added that about \$900 are lost every week because of having to direct customers to other facilities. Mr. Eason noted that TPU's facility is the most expensive one in the State of Nevada. James Eason stated that he would like to do more research on the matter and would like to talk to other utilities to find out what their process is.

Sewer Fund-Sewer Revenue

- Flat Rate Residential and Commercial (At \$23.50 a month the proposed revenue would be \$477,901 a year. At \$24.00 a month the proposed revenue would be \$484,471 a year. Horace Carlyle pointed out that TPU has upgrades to do in the millions and that he supports raising the flat rate. He asked how much money is available for capital projects at this time. Chris Mulkerns noted that it is about \$91,000. Mr. Carlyle inquired how much money is available for upgrades. Ms. Mulkerns explained that the sewer fund had \$609,908 at the end of 2014. James Eason stated that another \$200,000 will go to that fund by the end of 2015. Mr. Carlyle mentioned that TPU does not have enough information about sewer problems and backflow. He wants to be proactive about the matter. Duane Downing stated he does not want to increase the rate because he thinks customers will not understand if there is almost \$800,000 in funds, and added that he thinks \$0.50 will not make a big difference. Horace Carlyle disagreed and pointed out that he does not want TPU's rates to increase like in Goldfield. Joe Westerlund explained that he cannot predict problems that will occur in private lines. He recommended relining the pipes. Horace Carlyle mentioned that TPU does not have near enough funds to cover a fraction of the cost of what needs to be done. Duane Downing countered that TPU has to prioritize projects. Doug Farinholt added that TPU has to decide what is reasonable. James Eason stated that the Town and TPU staff's position on the matter is neutral. He added that if TPU had \$0 on funds at this point, they would get close to \$1 million again in five years. He recommended transferring the beginning-ending fund balance into the capital projects fund.)

- Joe Westerlund presented a map of Tonopah showing which areas in Town need to have pipes relined in what priority order. He pointed out that the pipes in the Sierra Vista area are in good condition as they are only about 35 years old. The older sections of Town have 4" pipes under people's homes. Certain areas need immediate attention; others can be relined in the next years. Mr. Westerlund emphasized how difficult the replacement of pipes is as they do not run where the maps show, and there are electrical and phone lines buried with them. There are eight areas of Town on the higher priority list and nine areas on the second priority list. He noted that the area around "Rhines Trailer Court" is in terrible shape and has the highest priority as TPU gets the most call-outs for this area. Mr. Westerlund added that he will keep a map and folder of every relined pipe so that TPU employees in the future will know what was done when and what the pipe size is. He explained that 1000 feet can be relined in one single day and that the method will not intrude on people's property. He pointed out that areas might move up on the priority list according to future call-outs. Chris Mulkerns suggested budgeting a few relining projects for every year and taking the beginning-ending balance for capital projects. Horace Carlyle noted that a \$0.50 increase of the rate will not solve all problems, but he does not want TPU to be out of compliance. He added that he cannot vote against an increase as \$6.00 a year is not infeasible for customers. Joe Westerlund pointed out that the difference in revenue equals 200 feet of relining every year. Duane Downing emphasized that TPU employees will spend less time on call-outs if problem areas are eliminated. He suggested having the approval for the projects on the next agenda and added that having a plan will make the increase comprehensible for customers. Janet Hatch noted that everything increases in cost and that she does not think \$0.50 is that much compared to other increases. Chris Mulkerns inquired how much the Board wants to fund out of the balance. Horace Carlyle asked for a recommendation from the staff. Duane Downing proposed taking half of the amount and keeping the other half for emergencies. Doug Farinholt pointed out that eliminating problem areas will save TPU money on paying overtime for call-outs after hours.

The following presentation was given by James Eason, unless otherwise noted. The information in parentheses notes discussion, explanations, or facts given.

Mr. Eason pointed out that the numbers in this year's budget have not changed much except for the adjustments for NVPERS. The Town staff does not have any recommended changes at this point. Horace Carlyle suggested having the Board members review the budget and submit their recommendations to the Town staff if they have any.

Convention Center

- Carpet, flooring needs to be replaced (can be funded through Capital Projects or Maintenance)

Parks

- Playground equipment could be purchased
- Scoreboard control boxes will be replaced
- premium fertilizer now being used (Duane Downing asked whether the grass could be reduced at Highland Park)

TPU

- Joe Westerlund needs a new truck

Union Plaza Parking Lot

- Possibility to buy portable stage for events, costs around \$50,000 to \$60,000 (Duane Downing suggested the Library buy it as they could use it for movie nights and other events.)

Dianne Ryals noted that she has been asked to have a summer program for families. She suggested having it at the Convention Center. The program would be free of charge. James Eason proposed collecting donations from participating families for the Library or the Cow Bus Preschool.

Duane Downing noted the budget cuts made by the Nye County Board of Commissioners. He anticipates the County to want to have the Town take over entities. He pointed out that the Town is doing well because of being frugal. Horace Carlyle stated that that would destroy the Town. James Eason named some of the cuts that were made including closing the Animal Shelters in Tonopah and Pahrump, closing the Health Clinics in Beatty and Amargosa Valley, discontinuing the funding for Senior Nutrition, discontinuing the funding for the DARE program etc. Mr. Eason added that he had told Commissioner Wichman that the cuts are not equitable. He pointed out that cuts were only made in Pahrump because everything was already cut here. Duane Downing noted that there are not enough revenues to support everything that needs to be taken care.

Doug Farinholt inquired about abandoned properties. James Eason noted that the number is low. He explained that the Town will get a list of what properties will go into the tax sale. The Town can submit whether they want a property. The Town has to decide whether they want certain properties to have access to the water and sewer system.

3. Public Comment

None.

4. Adjourn

The meeting adjourned at 1:07 p.m.

Minutes transcribed by:



Kat Galli, Deputy Town Clerk

Approved:



Horace Carlyle, Chairman

Duane Downing, Vice-Chairman

Tom Seley, Clerk



Janet Hatch, Member



Doug Farinholt, Member

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TONOPAH LIBRARY BOARD OF TRUSTEES
BUDGET WORKSHOP MINUTES
MARCH 04, 2015
TONOPAH PUBLIC LIBRARY
167 South Central Street, Tonopah, NV 89049

Tonopah Library Board of Trustees Chairman Tom Seley called the budget workshop to order March 4, 2015 at 11:42 a.m. Also present were Duane Downing, Horace Carlyle, Janet Hatch, and Doug Farinholt. Six others were in attendance.

1. Public Comment

Dianne Ryals pointed out that the workshop could have taken place at the old library building if it was renovated. Horace Carlyle noted that the library staff has great ideas about renovating the old library and rearranging the new library building. He added that homeschooling programs would like to use the library more frequently and that meetings could be held at the old building. He emphasized that the Library could have more active participation if a few things were changed, and that it would cost under \$40,000. Dianne Ryals noted that she did not receive an estimate for new flooring. Doug Farinholt asked whether projects could be done in stages. Ms. Ryals explained that the old building needs to be taken care of first as to be able to move furniture and other equipment out from the new building. She added that she would like to expand the children's area and that new DVD shelves would hold more DVDs and would take up less space. Tom Seley pointed out that the old furniture should be taken into the old building. James Eason asked Dianne Ryals to come up with a plan of what needs to be done how and present to the Board how much money is needed to complete these projects. Dian Wickenden inquired what is allowed to be changed in the old library. James Eason clarified that the building cannot be altered and windows cannot be replaced, but that flooring can be changed. He suggested scheduling the Conservation Camp Crew to move furniture and equipment.

2. Discussion: Budget Workshop; Tonopah Public Library for FY 2015/2016

Chris Mulkerns pointed out that the assessed value of the Library increased. James Eason noted that this was due to the solar project. He added that more revenue from the property tax collection will come in, and that the Library has more money than it has ever had. Duane Downing noted that the Library could be self-sufficient and everything the Board wants done could be accomplished. Kat Galli inquired whether it is possible to open the Library in the morning for schools to visit. Duane Downing replied that if the numbers continue to increase, opening the Library more hours could be considered for the Fiscal Year 2016/2017. Dianne Ryals noted that her training to become a Certified Librarian costs a lot and takes a long time. She pointed out that the Board should try to find somebody young who wants to stay in Tonopah to complete the training.

The following presentation of the Library's revenues and expenditures was given by Chris Mulkerns, unless otherwise noted. The information in parentheses notes discussions, explanations, or facts given.

- Salaries (wages for Dianne Ryals, Dian Wickenden, Tawnia Seward equaling 1.5 full time position and including maintenance; Horace Carlyle inquired whether the amount should be budgeted higher. Chris Mulkerns explained that the amount already includes a \$0.50 raise for each of the employees. The Board agrees to raise all employees' wages by \$0.50 starting right away. Duane Downing added that the possibility for another raise could be evaluated the following year. Chris Mulkerns pointed out that the Board has to approve any raise. James Eason noted that employees of the Town, TPU, and the Library are encouraged to further their education. Raises are usually given based upon training as they give added service to Tonopah.)

- Operating Supplies (Horace Carlyle asked whether this line item would included upgrading the copy machine which Chris Mulkerns affirmed. James Eason suggested raising the budgeted amount to \$15,000. The Board agreed.)
- Professional Fees (includes cost for audit by Daniel McArthur and CLAN; James Eason suggested raising the budgeted amount to \$20,000 to cover the cost for a remodeling plan for the new and old building and to have a contract with Nevada Division of Forestry. Dianne Ryals noted that "Invision" could be purchased. Horace Carlyle proposed raising the amount to \$25,000 to \$30,000. It was agreed upon to raise the budgeted amount to \$30,000.)
- Telephone (James Eason suggested raising the amount to cover the additional cost for Wi-Fi. Doug Farinholt explained that the cable system will be exchanged in the near future and might raise prices. The budgeted amount was raised to \$7,000.)
- Garbage (raised to \$200)
- Power (raised to \$4,000; usage in both buildings)
- Water (raised to \$1,000; usage in both buildings)
- Propane (raised to \$5,000; usage in both buildings)
- General Insurance (raised to \$10,000 to cover potential claims)
- Pest Control (raised to \$500)
- Advertising (raised to \$600)
- Books Purchased (Dianne Ryals noted that she would like to purchase more audio books. Doug Farinholt inquired how the Library can ensure older people can use them. Ms. Ryals pointed out that older people oftentimes refuse to use electronic devices. Duane Downing suggested raising the amount to \$10,000. James Eason proposed raising it to \$12,000 which would equal \$1,000 a month for the purchase of books. The Board agreed.)
- Equipment/Repair/Maintenance (raised to \$10,000 to cover maintenance on the old library building)

Duane Downing noted that the Board will have a better understanding of numbers next year. He stated that he would like more advertising for the Library on KIBS radio. Chris Mulkerns explained that the Town has a monthly contract with them.

James Eason pointed out the possibility of buying the property next to the Library. Doug Farinholt suggested using it as a parking lot or having covered pavilions installed for outdoor reading. Horace Carlyle inquired what the price for the property was. Chris Mulkerns explained that it appraised at \$12,000. James Eason noted that the owner would probably want \$20,000. He asked the Board to wait until June to purchase the property so that the Board knows what the revenues exactly were for this fiscal year. Horace Carlyle asked to get a purchase price from the owner so that buying the property can be agendized. James Eason stated that he will talk to the owner. Doug Farinholt inquired what the historical value of the property was. James Eason explained that there will be SHPO (State Historic Preservation Office) requirements and that the Library might have to sell the building and relocate it.

Chris Mulkerns asked whether the Board would like to wait until June to budget the transfer amounts to WNCF and Capital Projects Fund. Duane Downing suggested setting the amounts later.

3. Public Comment

None.

4. Adjourn

The meeting adjourned at 12:50 p.m.

Minutes transcribed by:



Kat Galli, Deputy Town Clerk


Approved:

Tom Seley Chairman




Janet Hatch, Vice-Chairman

Duane Downing, Clerk



Horace Carlyle, Member



Doug Farinbolt, Member

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