

TONOPAH TOWN BOARD

MEETING MINUTES

OCTOBER 10, 2012

Tonopah Town Board Vice Chairman Horace Carlyle called the meeting to order at 7:01 pm. Also present were Javier Gonzalez and Ron Kipp. Jon Zane and Duane Downing were absent. There were five other people in attendance.

1. Public Comment

No action taken by the Board.

2. Review and approval of minutes, in context, from regular meeting held on September 26, 2012.

This item was tabled.

3. Review, discussion and possible approval of 5/8<sup>th</sup> of 1% Room Tax Grant to advertise and promote the Rotary Foundation Dinner/Dance.

Harvey Gonzalez disclosed that he is part of Rotary but he does not benefit financially from this event.

Ron Kipp wanted to know if the flyers and the posters were the same thing. Horace Carlyle noted that the total cost of project is \$1,500.00 but they are only asking for \$509.75. James Eason explained that \$406.00 will go to the Tonopah Times Bonanza and the rest will go to poster design production

Javier Gonzalez made a motion to approve the 5/8ths of 1% Room Tax Grant to Tonopah Rotary Club in the amount of \$509.75. Ron Kipp seconded. Motion passed 3-0-2 (Jon Zane and Javier Gonzalez were absent).

The Board moved to item 5.

4. Review, discussion and possible decision to support "The Rural Medical Facility Investment and Improvement Act"

JP Smith explained that he and Dr. Hammargren have put together a program to build hybrid hospitals in rural communities. The hybrid will diversify and come up with other services and entities to generate income outside of Medicare so they can be financially sustainable. He explained that they are trying to get as many recommendations that this is a good idea as possible. He noted that there is currently USDA funding and HUD financing to build new hospitals but because of the matching funds and other regulations it is difficult for a community

of this size to build a new hospital. The bill gives incentive to private and institutional investors to come in and do a feasibility study to determine what other things can be brought to the community to make it profitable. This will be in addition to providing all of the current service lines so there will be no deterioration of service. He explained that there will be no cost to the community, city or county government. Because it is initially built by private investors, they will pay all the impact fees, connection fees, property taxes, etc. so for the first five years, it will be a money making operation for the community before reverting back to non-profit. He noted that this is not a stimulus program. The bill provides incentives to investors. It gives tax incentives for companies to put the money up to build the hospitals. He explained that there is a cost of \$5.2 billion dollars to the federal government for the loss of income it would have received from those taxes being paid but there are offsets of over \$15 billion from the savings in Medicare. There would be 250,000 permanent jobs created for almost ten years for the life of bill. There will also be savings in other governmental programs.

Horace Carlyle feels that this would give a better quality medical facility with more options and makes the community more attractive to live here. JP Smith explained that there would be a first class medical facility closer rather than having to medevac to Vegas. It could be a catalyst for more programs to return to the area. He clarified that they are looking for a letter of support from the Town.

Javier Gonzalez made a motion to have staff draft a letter in support for the Rural Medical Facility Investment and Improvement Act. Ron Kipp seconded. Motion passed 3-0-2 (Jon Zane and Duane Downing seconded).

JP Smith explained that their initial efforts were to build a hospital in Hawthorne but they have had a hard time there. Because of the reception they received from Dr. Scoccia, they have looked at making Tonopah the first one they try to attempt in rural Nevada.

5. Review, discussion and possible decision and approval to award bid for the Tonopah Convention Center roof project

James Eason explained that the recommendation is to schedule a special meeting for next Tuesday as staff is still in the processing of vetting the bids. The recommendation is to schedule the meeting for 6:00 pm on Tuesday night. Horace Carlyle wanted to know if the Board is still within the bid requirements. James Eason explained that the Board is still within the bid requirements and this will not cause any delays.

This item was tabled.

6. Tonopah Department Budget Reports

Horace Carlyle wanted to know where the Consolidated Tax came from. James Eason noted that the Consolidated Tax comes through the County. Horace Carlyle noted that there has been no Consolidated Tax or Interest received in the first quarter. James Eason noted that the County is still doing house keeping with the new system. He explained that all revenues for the Town go

through the County Treasurer. Horace Carlyle feels the Board should send a letter to the Commissioners asking for a timely reporting of the Town's income. James Eason suggested having Commissioner Eastley come before the Board and give a presentation to the Board explaining what NRSs she feels will help the Town of Tonopah.

James Eason explained that the budget is very close on some line items for the Parks and the Swimming Pool. The Town watered the parks a tremendous amount this year. The water has been shut down for the year. The operating supplies for the Pool are right at the edge. He believes the budget should be fine though. He explained that the Board will need to figure out what to do about water in the parks in the future. He explained that the weather determines when the water gets turned back on.

No action taken by the Board.

The Tonopah Town Board recessed to the Tonopah Library Board of Trustees at 7:20 pm. The Tonopah Town Board returned at 7:27 pm.

The Board moved to item 4.

7. Tonopah Development Corporation Report

No action taken by the Board.

8. Public Comment

No action taken by the Board.

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

Horace Carlyle noted that there were major questions at the pre-construction meeting by the well driller, the engineer, and Harbor Construction regarding the lack of response from NV Energy. James Eason explained that the Town is still waiting for additional information from NV Energy. They are well aware of the Town's concerns and issues, which are being passed down to their project manager. He noted that he has expressed concern over the fact that the delay could be costing the Town money. He and Joni Eastley have a quarterly meeting with NV Energy next week and he will again express concern to the district manager and external affairs. They currently do not have enough crews so they have had to go out to bid for the distribution extension.

James Eason explained that the wells are done but there is some retesting that has to be done. All of the samples passed but there is an elevated nitrate level. Anything that is half of the federal MCL has to be tested. He noted that there is a natural nitrate level in the area and this has affected both wells.

James Eason explained that Harber has already started and they are in their third week. They mobilized all of their grading and grubbing last week. They are now starting the grubbing on the section from Booster 2 down to where the pipe is exposed. Next week they will start laying pipe. The effluent project is progressing. There was one minor setback with rebar spacing and lengths. That problem has been rectified. The contractor removed what they poured and they will replace it to the new engineered specs.

Horace Carlyle explained that he has spoken with Dave Fanning regarding the slimewash. James Eason noted that Mr. Fanning is working on the issue. He explained that technically the entire ditch does not have to be covered entirely. It can be brought up and the slopes changed. He explained that the problem comes from the fact that no one wants to do anything because no one wants to take responsibility and no one wants to put up the funding for it because there is no funding. Horace Carlyle wanted to know what the Town needs to do to protect the sewage right-of-way. James Eason explained that the Town is staying on top of the situation and monitoring it during the rains. Horace Carlyle feels the Board should send a letter to NDOT and the Board of County Commissioners to notify them that there is a public health and safety issue.

James Eason noted that some members of the Board wanted a workshop about changing the personnel policy with regards to future retirees. He noted that the language has not really changed. He requested that the Board forward their questions to staff ahead of time so they can get answers. He explained that Nye County and the Town of Tonopah chose to do a completely different plan from the State. Currently the Town provides benefits to its own employees and does not go through the PEBS system. Nye County and the Town of Tonopah chose to provide their own medical benefits to their employees and chose not to participate in the State system. The public body was given the choice of what system it wanted to choose. The Town is under Nye County's PERS contract and the Town elects to pay 100% for employees. In order to change that the Town has to get out of a contract with Nye County and set up a new contract with PERS. He noted that the rules for unincorporated towns are really unclear. The Town has some say in how to expend funds but the Town is not allowed to break away from the County. He explained that those questions staff does not feel comfortable answering will be forwarded to Pool/Pact. Pool/Pact is also trying to do a survey to give the Board an idea of what other public bodies around the State offer to their current employees, current retirees, and future employees and retirees. James Eason requested the Board get their questions to staff by Wednesday of next week. Horace Carlyle wanted to know the conversion numbers to Medicare at 65. James Eason explained that the Town does not know that number. He noted that the NRS states that at 65, the insurance automatically converts to Medicare as the primary and the Town, County, or PEBS becomes the secondary insurance.

10. 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.

This item was tabled.

11. Closed meeting, pursuant to NRS 288.220 for purposes of conferring with Town's Management Representative regarding labor negotiation issues, and other personnel issues

This item was tabled.

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

This item was tabled.

13. Closure of meeting pursuant to NRS 241.015(2)(b)(2) for purposes of conferring with legal counsel regarding potential or current litigation

This item was tabled.

14. Closed meeting, pursuant to NRS 241.015(2)(b)(2) for purposes of conferring with legal counsel regarding potential or current litigation

This item was tabled.

15. Discussion, deliberation and possible decision on conference with legal counsel regarding potential or current litigation presented in the closed meeting

This item was tabled.

16. Correspondence

Round Mountain Town Board Regular Meeting Minutes – 09/11/2012

Nye County Board of Commissioners Regular Meeting Agenda – 10/02/2012

EM News Flash: Name that Tortoise – 10/04/2012

Press Release – USDA RD Nevada Invests Over \$240 million in Rural Nevada in FY 2012 – 10/05/2012

Pahrump Town Board Meeting Regular Agenda – 10/09/2012

Round Mountain Town Board Regular Meeting Agenda – 10/09/2012

Beatty Town Advisory Board Regular Meeting Agenda – 10/10/2012

Nye County Water District Governing Board Teleconference Agenda – 10/15/2012

17. Approval of Vouchers for Payment

The vouchers were reviewed and all were signed by Board members. Javier Gonzalez made a motion to approve the vouchers as presented for payment. Ron Kipp seconded. Motion passed 3-0-2 (Jon Zane and Duane Downing were absent).

18. Adjourn

Meeting was adjourned at 8:23 pm.

Minutes transcribed by:

Approved:

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Mariah Rivero

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Jon Zane, Chairman

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Horace Carlyle, Vice Chairman

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Javier Gonzalez, Clerk

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Duane Downing, Member

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Ron Kipp, Member