

TONOPAH TOWN BOARD
MEETING MINUTES
OCTOBER 8, 2014

Tonopah Town Board Chairman Horace Carlyle called the meeting to order October 8, 2014 at 7:00 p.m. Also present were Ron Kipp and Janet Hatch; Duane Downing arrived at 7:10 p.m. Tom Seley was absent. Ten others were present. Chairman Carlyle led in the Pledge of Allegiance.

The Town Board recessed to the Library Board of Trustees at 7:27 p.m. and reconvened as the Town Board at 7:45 p.m.

1. Public Comment. None.
2. Review and approval of minutes, in context, from the regular meeting held on September 24, 2014.

Janet Hatch motioned to approve the minutes, in context, from the regular meeting held on September 24, 2014 as presented. Ron Kipp seconded. No further discussion. Motion carried 3-0.

3. Deliberation, discussion and possible action to approve a resolution of the Tonopah Town Board acceptance of the Tonopah Public Utilities booster pump station #2 VFD replacement – PWP NO. NY-2014-267.

James Eason stated everything has been inspected and signed off by Shaw Engineering. Joe Westerlund stated they are working great. Pump 2 is up and running, they need to bring in Sierra Controls to make sure the settings are perfect. Chairman Carlyle asked if there is a warranty on the new ones. Mr. Westerlund stated they have a one (1) year warranty. Mr. Westerlund explained to the Board any time they want to come out and look the new pump station, he will take them out there.

Janet Hatch motioned to approve a resolution of the Tonopah Town Board acceptance of the Tonopah Public Utilities booster pump station #2 VFD replacement – PWP NO. NY-2014-267. Ron Kipp seconded. No further discussion. Motion carried 3-0.

4. Deliberation, discussion and possible approval/denial of 5/8ths room tax grant money for supplies for Mining Park train to participate in 2014 Nevada Day parade in Carson City.

James Eason explained this is a request by Rick and Donna Motis to use the train at the Mining Park for a float in the Nevada Day Parade in Carson City. Ron Kipp asked what the amount was. Mr. Eason stated that the grant is up to \$1,000.00.

Janet Hatch motioned to approve a 5/8ths room tax grant in the amount of up to \$1,000.00 for supplies for Mining Park train to participate in 2014 Nevada Day Parade in Carson City, Nevada. Ron Kipp seconded. No further discussion. Motion carried 3-0.

5. Deliberation, discussion and possible action to approve Change Order #2 for Contract No. 049.12.001, Town of Tonopah Economic Development with BEC Environmental, Inc., requesting additional funding in the amount of \$10,000.

James Eason stated this is in conjunction with their Economic Development Plan. This is the Town's second year of doing this with BEC Environmental. The projects they are continuing to

work on are outlined in the Housing Development Report. They have also worked on the I-11 interstate deal. Mr. Eason explained this would come out of professional contracts under Town administration. Mr. Eason noted if they do not use the money, they can either extend the contract or the contract amount is not used.

Janet Hatch asked if this was something Mr. Eason thought was necessary. Mr. Eason replied yes and the Town uses BEC Environmental all the time.

Janet Hatch motioned to approve Change Order #2 for Contract No. 049.12.001, Town of Tonopah Economic Development with BEC Environmental, Inc., requesting additional funding in the amount of \$10,000.00. Ron Kipp seconded. No further discussion. Motion carried 4-0.

6. Deliberation, discussion and possible action to approve Engineering Services Proposal – Water Capacity Study – West Kirkland Mining – Three Hills and Housbrook and Engineering Services Proposal – North Town Development – 6 inch Water Main.

James Eason stated they had asked Shaw Engineering to review the nitrate levels. Shaw Engineering gave them two additional quotes, one for North Tonopah to look at the capacity for possible development, and also to look at the capacity for West Kirkland Mining. This is in addition to the master water study they have been working on.

Ed Tomany asked if what they are measuring is the current capacity in Tonopah as well as what West Kirkland Mining and North Tonopah Development need. Mr. Tomany asked if they have any idea what the water availability is and will be, at this time. James Eason stated that last November they awarded a water master plan study to Shaw Engineering to study the overall impacts of phase one and phase two of the water project; what they could bring to Tonopah and study the existing customer base that they have. They knew the numbers were going to change. That report will go to the state water engineer; NDEP will have a copy of it and also USDA whom the Town borrowed the money from for the water project. So when a new developer comes in the Town can say this is what our capacity is, this is what we are using, so we have this much to sell.

Janet Hatch motioned to approve the Engineering Services Proposal – Water Capacity Study – West Kirkland Mining – Three Hills and Housbrook and Engineering Service Proposal – North Town Development – 6 inch Water Main. Duane Downing seconded. No further discussion. Motion carried 4-0.

7. Deliberation, discussion and possible action to approve Amendment 1 to Shaw Engineering Services Proposal – Water System Master Plan to include a nitrate study at Wells 9 and 10.

James Eason stated most of this was covered under item 6 and asked the Board if they had any questions. Ron Kipp asked if this study was just for the benefit of West Kirkland Mining and North Tonopah Development. James Eason explained no, the nitrate study is for wells 9 and 10 regardless of West Kirkland Mining and North Tonopah Development. Even if they never become part of their system, they have to have this nitrate study.

Duane Downing motioned to approve Amendment 1 to Shaw Engineering Services Proposal – Water System Master Plan to include a nitrate study at Wells 9 and 10 in the amount of \$16,000.00. Janet Hatch seconded. No further discussion. Motion carried 4-0.

8. Deliberation, discussion and possible action to approve WK Mining (USA) Ltd.'s request to enter into an agreement with the Town of Tonopah/Tonopah Public Utilities in the form of a Memorandum of Understanding for the supply of water to the Hasbrouck Gold Project. Heads of the agreement to include, but not limited to:

1. Master Water Study
2. Point of demarcation
3. Design quantity of water supplied
4. Actual quantity of water supplied
5. Continuity of Supply
6. Quality of water supplied
7. Fee per thousand gallons
8. ERU charge
9. Cost of upgrade to Tonopah Water System

Sandy McVey of WK Mining (USA) Ltd.'s joined the meeting by telephone. James Eason stated that Shaw Engineering has provided to WK Mining a high level 30,000 view estimate of what it would cost to connect to the Town's system cost analysis. What WK Mining would like is to work together with the Town to move forward in negotiating and discussing these items for the potential or possibility of providing water to this project. And consider the Town would sell water for their project. Before the Town of Tonopah could ever provide any water to this project, a master water study needs to be done.

Horace Carlyle directed Town Staff to write a letter of support for WK Mining (USA) Ltd.'s project.

Ed Tomany asked who would own the Right of Way. James Eason explained that if it is in the Town's main transportation system, the Town will own the Right of Way. If it is part of WK Mining's distribution that they will own it outright and they will be responsible for it. It will depend on the point of demarcation.

9. Department Budget Reports The Board was satisfied with the budget.

10. Tonopah Development Corporation Report None.

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

James Eason explained Phase 2 of the water project is done. The geologists meeting at the Mining Park went well and had a great turnout. Teresa Madsen is working on the Town's website. The Town has been cleaning up the property where Dr. Dee's trailers were located off of Knapp Avenue. The parks bathrooms have been winterized. They are still waiting on hearing when the exterior coating will be done on the Mining Park's Visitors Center. Movie night at the

Mining Park will be October 25, 2014 and the movie will be Monster's University. The movie will be open to the first 30 kids. The cost is \$5.00 which includes popcorn and a bottle of water. KIBS radio station is promoting the "Staycation".

Horace Carlyle discussed the sales tax which was brought up at the Nye County BOCC meeting. He asked James Eason if he had a chance to look into that. Mr. Eason replied that he had not but he has a meeting set up with Daniel McArthur.

Mr. Carlyle asked Mr. Eason if he could develop a strategy regarding the non-closure of the jail in Tonopah. Mr. Eason explained he needs to discuss the matter with other parties and that has not yet happened. Mr. Carlyle stated the Town needs to be proactive on the matter.

Mr. Carlyle stated he would like to put on the agenda a discussion about what properties to look at regarding the Town office. He explained that they have spent a lot of money looking but the Board hasn't discussed as a group what they think their future should be. He would like to know the vision of the Board regarding the Town office.

Mr. Carlyle would like to have a letter sent to the District Attorney regarding the legal status of a building at the Man Camp. He stated there has already been a determination made by the State Fire Marshall. He believes this report should be given to the Board for review. Mr. Carlyle stated "He is a supporter of planned growth; he is also a supporter of North Tonopah Development Corporation as long as it is on a business basis, done in an impartial manner." He noted the development has a lot of potential for long term benefit to Tonopah.

Janet Hatch stated they discussed filling the position of Junior Probation Officer at the Nye Community Coalition Stakeholders meeting. Jess Rosner stated they are drafting a letter to try to get the position back. Duane Downing stated that the position has not been filled due to Nye County having to reduce their budget.

Bruce Jabbour of North Tonopah Development stated that he and Michael Lach would be willing to go before the Nye County BOCC to help stop the jail closure; as they would also like to be proactive in the matter.

Ron Kipp stated that Slime Wash looks much better due to the improvements that are being made. He also noted that the sidewalk project downtown is almost completed and looks good.

12. 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.
13. 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.
14. Deliberation, discussion and possible decision on labor negotiations, issues and other personnel matters presented in the closed meeting No action taken by the Board.

15. Correspondence

Tonopah Room Tax Report for August 2014, Collected September 2014
BEC Environmental Progress Report, September 30, 2014
Tonopah Convention Center, Report to the Town Board, October 2, 2014
Nye County BOCC Agenda, October 7, 2014
Appraisal Report, September 30, 2014
Bureau of Land Management Letter, October 2, 2014
Budget Reports, September 2014
Nye County Airports September 2014 Status Report, October 4, 2014
Nye County BOCC Meeting Summary, October 7, 2014
Beatty Town Advisory Board Meeting Agenda, October 13, 2014
Nye County Housing Study Summary, September 2014
Email to Dan Tarnowski/Board Training, October 8, 2014

16. Public Comment


Bruce Jabbour of North Tonopah Development thanked the Board and the Town for their considerations regarding their requests for ERU development.

17. Approval of vouchers for payment

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

18. Adjourn The meeting adjourned at 8:43 p.m.

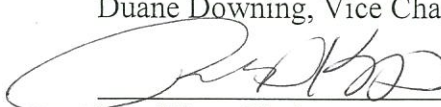
Minutes transcribed by:


Arlene Neiderman, Deputy Town Clerk

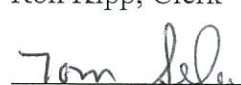
Approved:


Horace Carlyle, Chairman

Duane Downing, Vice Chairman



Ron Kipp, Clerk



Tom Seley, Member



Janet Hatch, Member