

**City of Elko** )  
**County of Elko** )  
**State of Nevada** )

SS January 12, 2010

The City Council of the City of Elko, State of Nevada met for a regular meeting beginning at 4:00 p.m., Tuesday, January 12, 2010.

This meeting was called to order by Mayor Michael J. Franzoia

**NOTE: The order of the Agenda has been changed to reflect the order business was conducted.**

## **ROLL CALL**

Mayor Present: Michael J. Franzoia

Council Present: Councilman Jim Conner  
Councilman Jay Elquist  
Councilman Chris Johnson  
Councilman John Rice

City Staff Present: Curtis Calder, City Manager  
Delmo Andreozzi, Assistant City Manager  
Shanell Owen, City Clerk  
Alan Kightlinger, Fire Chief  
Don Zumwalt, Police Chief  
Bob Goicoechea, City Attorney  
Ryan Limberg, Utilities Director  
Dennis Strickland, Public Works Director  
Trent Moyers, Airport Director  
Eric Howes, Parks & Recreation Director  
James Wiley, Parks Superintendent  
Fritz Sawyer, WRF Superintendent  
Mike Haddenham, WRF Assistant Superintendent  
John Smith, Water/Sewer Assistant Superintendent  
Scott Wilkinson, Development Manager  
Jessica Johnson, Human Resources Manager  
Ted Schnoor, Building Official  
Jeremy Draper, Civil Engineer  
Ed Wynes, City Planner  
Lorraine Martinez, Accounting Supervisor

## **PLEDGE OF ALLEGIANCE**

## **APPROVAL OF MINUTES December 22, 2009**

City Manager Calder advised the minutes were not complete at this time and would be included on the next agenda.

## **NEVADA DEPARTMENT OF ENVIRONMENTAL PROTECTION PRESENTATION REGARDING UNDERGROUND STORAGE TANKS**

Aaron Sonerholm, Senior Staff Specialist with Broadbent & Associates, Inc. advised the purpose of the program is to inventory and catalog orphaned/abandoned tanks that have not been closed properly in an effort, at a later date, to address any environmental concerns. The focus will primarily be on orphaned tanks and there will be no financial or environmental liability assigned; an orphaned tank will be taken care of by the state or by the federal government through the Leak Underground Storage Tank Program.

Councilman Johnson questioned whether residential tanks were exempt.

Mr. Sonerholm indicated heating oil tanks were; this pertains to gas and diesel tanks on commercial sites only.

Councilman Johnson then questioned the options for a homeowner to dispose of a heating oil tank.

Mr. Sonerholm was unsure of NDEP regulations pertaining to that type of tank.

## **CITY FINANCIAL PRESENTATION FOR FY 2010/2011 BUDGET PROCESS**

See Exhibit 'A'

City Manager Calder advised this is preliminary to the budget and pertains to the General Fund only; based on four months sales tax data. The presentation was being done in an effort to prepare council for the budget process; Staff is beginning their process now for the 2010/2011 budget. Currently under this fiscal year budget council initiated a hiring freeze that affects four vacant positions, and might affect more. It also reflects an ongoing effort for Staff to reduce services and supplies by approximately \$200,000; for a total savings in this year's budget of about \$400,000. That is targeting an ending fund balance which would be based on an 11% reduction in consolidated sales tax. If the consolidated sales taxes are reduced by more than 11% we will react by finding additional monies in services and supplies or seasonal positions etc. to make that up for this fiscal year.

City Manager Calder advised Staff is estimating a beginning fund balance much lower than the current fiscal year of \$1.69 million; we anticipate revenues at \$14.8 million and then we have our project expenditures based on what this year's budget is; keeping everything as flat as possible. For example salaries includes the hiring freeze and vacant positions we know of, it includes no pay increases other than contracts that are in effect for 2010/2011 and any merits for contracts that are in effect. Under benefits Staff estimated a 15% increase in health insurance; we won't know the actual number until late February, early March. Staff estimates a flat PEB's subsidy, which is the subsidy we are required to pay pursuant to state law for retired employees. We are estimating a 5% increase in Worker's Compensation, 5% increase in liability, flat PERS rates and we increased our unemployment insurance slightly. Total expenditures are \$16.4 million. Transfers in reflect 20% from the Parks and Recreation Fund. Transfers out reflect transfers to the Airport Fund to Administrative Charge-outs and to the Golf Course Fund. The contingency reflects 1.5% of the General Fund required by statute. The result is a negative ending fund

balance of \$382,671; we have an 8.2% required ending fund balance which is approximately \$1.4 million so we have a deficit at this point in time of just under \$1.8 million.

City Manager Calder stated this information sets the ground work for the upcoming budget process. Currently at staff level we are looking at the Revenue Stabilization Fund; it holds reserves and will be used this year if we stay in a deficit. We are also looking at fee structures and other funds i.e. Capital Equipment Fund on a short-term basis.

Councilman Johnson requested verification the information was based on downward trend of 10%.

City Manager Calder advised it was based on 11%.

Councilman Johnson believed the best part of this fiscal year was behind us; the city has not yet seen what the true picture of what the sales tax decrease will be. Anything we can do this fiscal year lessens the blow for us to adjust for next fiscal year is going to be very important.

Councilman Elquist agreed; we need to start acting on it now.

## **I. PERSONNEL**

- A. Review, consideration, and possible approval to allow the Recreation Department to fill a temporary position of Sports Coordinator to assist with the operation of the Men's Basketball League, and matters related thereto. **ACTION ITEM**

This would be a temporary position responsible for the on-site operation of the Men's Basketball League and would be supported in full by revenue generated from the program. EH

Parks and Recreation Director Howes noted this position is fully self-supporting. This is essentially the same thing we do with softball; we just need to make sure someone is at the games should any issues arise so they can be dealt with immediately.

Mayor Franzoia reviewed the revenues and expenses for the program and questioned if the player and sponsor fees were accurate.

Mr. Howes verified they were. Current changes reflect the fact they are allowed to use more of the school gym time than anticipated which reduced the operating costs for gym rental. In addition, the original revenue estimates were based on twenty-four teams with an average of eight players per team; twenty-six teams registered with an average of 9.5 players per team so our numbers went up and expenses went down.

Councilman Elquist questioned if everything went as Staff expected.

Mr. Howes advised it went well; we'll probably see an increased number of teams next year based on feed-back received. It was a very good thing for the Recreation Department's budget and this one will be also; just not to the same degree as we're renting gym space.

Mayor Franzoia noted this was a revenue generator and recommended keeping a separate line item in the budget to keep the revenues within that.

Councilman Elquist questioned if the numbers included all labor overheads.

Mr. Howes verified all costs were included.

**\*\* A motion was made Councilman Conner, seconded by Councilman Rice to approve and authorize the Recreation Department to fill a temporary position of Sports Coordinator to assist with the operation of the Men's Basketball League.**

**Motion passed 4 to 1.  
Councilman Johnson voted against.**

After the motion and before a vote was taken Councilman Johnson advised he was going to support the no-hire policy recommended by the council and stay within those parameters.

## **II. APPROPRIATIONS**

- B. Consideration and possible authorization to solicit bids for medical service providers for City physical examinations, and matters related thereto. ACTION ITEM

In December of 2004, the City solicited bids for medical service providers for physical examinations and awarded 5-year non-exclusive contracts for services to Pioneer Urgent Care and Pinion Road Clinics as the primary providers. Those agreements expire January 14, 2010; therefore, the City must solicit bids for professional services again. AK

Fire Chief Kightlinger advised they are trying for a six-year arrangement; non-exclusive, with the local doctors. Union contracts allow the employee to get their physical done to NRS standards anywhere they choose but they have to pay the difference out of pocket from the contract price. Annual physicals are mandatory for all fire fighters, policemen and EMS officers; we also have pre-hire drug screens, hepatitis screens and shot series that employees go through; this would establish the base price for the various services as it did in 2004.

Mayor Franzoia questioned if Staff wanted at least two providers on the list; obviously the two lowest.

Chief Kightlinger advised it will come back before the Council at the February meeting; the bid will be awarded based on the findings.

Councilman Elquist questioned who sets the escalations.

Chief Kightlinger advised we want to set them; that way they have to negotiate for x-ray, lab fees etc. and set a maximum cap on those increases.

**\*\* A motion was made by Councilman Elquist, seconded by Councilman Rice authorizing Staff to solicit bids for professional medical service providers for City physical examinations for a six-year period and temporarily extend current services until approximately the February 9, 2010 City Council meeting.**

**Motion passed unanimously.**

- C. Consideration and possible Staff authorization to solicit bids for the complete servicing, hydro-testing, refilling, and cleaning of City owned fire extinguishers, portable fire suppression equipment, and hood extinguisher systems, and matters related thereto. **ACTION ITEM**

The City's current contract to perform the above referenced fire extinguisher services has been terminated effective March 15, 2009, and Staff is requesting authorization to solicit bids for a new three (3) year exclusive contract. JJ

Human Resources Manager Johnson advised the correct date should be March 15, 2010. This would be the standard three-year contract.

**\*\* A motion was made by Councilman Elquist, seconded by Councilman Rice authorizing Staff to solicit bids for a three-year exclusive contract for the complete servicing, hydro-testing, refilling, and cleaning of City owned fire extinguishers, portable fire suppression equipment, and hood extinguisher systems.**

**Motion passed unanimously.**

- D. Review, discussion, and possible final acceptance of AIP 33 Phase II Terminal Apron Reconstruction, including the retention of 10% of the remaining contract balance, and matters related thereto. **ACTION ITEM**

The City of Elko contracted with Frehner Construction to complete Phase II of the Elko Regional Airport Terminal Apron Reconstruction. The project is complete, meets FAA specifications, and has a contract balance of \$224,875.50. Final inspection revealed that spall repair work must be completed before releasing the 10% retention (\$22,487.55). A representative from Kimley-Horn and Associates is present to answer any questions. TM

Kevin Phelps representing Kimley Horn gave a brief overview. The project started in fall of 2008, initial project was completed in thirty-five days. At the completion of the project there were numerous surface deficiencies on the finish, there was also some issues with the smoothness with sixteen foot straight edge. In discussions with Airport Director Moyers it was decided the smoothness was not an issue; it was a bump rather than a depression so we still had positive drainage. On a runway or taxiway a bump is a concern with the aircraft moving at a high rate of speed; in this particular area it is moving at a walking speed so the bump wasn't considered to be a problem. However the deficiencies were; the puddle, depressions and things of that nature; discussions were held with Frehner and the decision was made to grind the surface to make it smooth with no deficiency; that was completed. There were concerns on the City's part with excessive grinding; discussions were held, alternatives considered i.e. remove and replace areas that were out of compliance with the sixteen foot straight edge, another was a

twenty-year guarantee, partial payment, sealing etc. During discussions Frehner had bonding issues with a guarantee since they would be bonding material supplied by their sub-contractor. The final decision was to remove and replace the deficient panels; that was completed this fall. The project is complete; there are some spalls that need to be addressed once we have the appropriate weather.

Mayor Franzoia questioned when they would typically start on the spalls.

Mr. Phelps believed you needed a temperature of 40 to 45 degrees.

**\*\* A motion was made by Councilman Rice, seconded by Councilman Conner to approve final acceptance of AIP 33 Phase II Terminal Apron Reconstruction, including the retention of 10% of the remaining contract balance until the small repair work is completed.**

**Motion passed unanimously.**

After the motion and before a vote was taken Councilman Elquist requested verification before final payment is made Mr. Phelps was confident it now meets the specifications.

Mr. Phelps verified he was.

Mayor Franzoia questioned if the retention was sufficient to take care of the spalling.

Mr. Phelps estimated the cost at approximately \$10,000.

### **III. UNFINISHED BUSINESS**

- A. Review, consideration, and possible approval of an additive alternate tank painting design to be included in the tank painting bidding documents, and matters related thereto. **ACTION ITEM**

On December 8, 2009, Council reviewed designs presented by Staff and Catherine Wines of the Arts and Culture Advisory Council. Council directed the advisory council to finalize one or two designs and bring back to Council for consideration, and directed Staff to contact ECVA and the Western Folklife Center for design input and possible funding, review designs with NDOT for approval, and bring back to Council for final approval. The final designs are included for your review and consideration. RL

Utilities Director Limberg advised designs included in the packet were from Catherine Wines with the Arts and Culture Advisory Council, Don Newman with the ECVA; both were present to answer any questions. Once Staff has the final design they can move forward with the bid document finalization and go out to bid.

Mr. Limberg advised as directed by council at the December 8<sup>th</sup> meeting, staff contacted the ECVA to determine if they would be interested in participating financially; ECVA indicated they would consider it but the dollar amount has not been set.

Mr. Limberg stated we do have tentative NDOT approval on the submitted designs. The intent is to paint one design on the most noticeable tank. In addition, the committee submitted one add-alternate design in the event funding isn't sufficient to cover the cost of the first two proposed designs.

Mayor Franzoia requested clarification on the number of designs council was to select.

Mr. Limberg advised prior action was to select one main design and one add-alternate; the committee would like to add a second add-alternate; a lower expense design to consider if we don't have funding for the first choice option.

Mayor Franzoia believed everything related to the mural should be an add-alternate in the bidding document as we have no idea of the cost.

Catherine Wines identified the number one design selected by the committee. The additional submitted design to be considered as an add alternate is a silhouette of the mountains and should be fairly inexpensive. Ms. Wines noted the ECVA's design includes exploreelko.com and is what they are most interested having on the tank if they are going to contribute funds.

Mr. Limberg advised the Western Folklife Center is still interested and their design is also included in the packet.

Mayor Franzoia stated the advisory committee was directed to select three designs and bring them back before the council.

Mr. Limberg advised the committee reviewed all submitted designs; before the council tonight for consideration is one final design, one lower budget design and the final design from ECVA. Mr. Limberg again advised all the designs are tentatively approved by NDOT.

Council members reviewed and commented on the various designs.

Don Newman, ECVA, advised modifications were made to their original design to simplify it; they are including the website as tool not only for visitors but locals as well. Mr. Newman gave a brief demonstration of the website and the extensive information it offers.

Councilman Elquist questioned if this becomes an ECVA billboard would the dollars come from the ECVA regardless of what picture is selected. Councilman Elquist believed that was more appropriate than funds coming from the water/sewer budget.

Mr. Newman advised they want to work with the Arts and Culture Advisory Committee. The art portion is very big to the project but the informational message needs to be included. Mr. Newman indicated they would take the application to marketing committee for support funding and the committee would review the request; but until we have bids the price is unknown. The committee wanted to submit art work in addition to painting of the tank; if we need to offset or fund additional dollars to help get a project on the water tank they certainly would be willing to consider that. They can contribute to the cost; they cannot fund the entire project. Mr. Newman advised the designs they submitted were a background for something they already do; they just wanted to show the concept of their website on an art piece; it was just an example.

City Manager Calder responded to the funding of the mural and/or sign; the original concept was since we would be painting over the Western Folklife sign Staff felt the water fund should cover the replacement of whatever sign goes up; within reason. If the ECVA ends up helping so much the better but the bid documents will dictate what we can or cannot do.

Mr. Newman acknowledged the Western Folklife Center and Cowboy Poetry; it is a major event Elko is known nation wide for; it brings a lot of exposure and opportunities to the community but the website covers all events.

Mayor Franzoia commented there are several submittals but it all will be based on price.

Councilman Rice questioned whether the committee had considered the submittal from the Western Folklife Center.

Ms. Wines stated it had been considered in the scope; included in the packet are their recommendations.

**\*\* A motion was made by Councilman Conner, seconded by Councilman Elquist directing Staff to solicit bids for painting the tanks; base bid is for tank painting; add-alternate one is for a mural with the design showing Elko slanted and Discover the Historic West, Explore Elko with the black background as add-alternate two.**

After the motion and before a vote was taken Councilman Elquist commented he understood the desire to put the art work back on the tank but remained firm on sticking to core duties. The Water Department needs to get the tank painted for maintenance reasons. Mr. Elquist believed it was the ECVA's position to promote Elko and the duty of the Water Department to provide good, safe water and integrity to the tank. As a parallel path while this is going out to bid he will work on the mural designs with Mr. Newman and Ms. Wines to get that process started; it may not be feasible.

Mayor Franzoia believed the process will give a good idea of what cost will be.

Councilman Rice recommended flexibility; we have two design concepts; the price of project may vary with colors.

Councilman Conner agreed it needs to stay simple.

**\*\* Councilman Conner amended the motion to include; whatever is the most affordable of the three submitted designs by bid process, through the bidder, will be the one used, Councilman Elquist's second stood.**

**Motion passed unanimously.**

Mr. Limberg stated there could be complications bidding on multiple designs without the council selecting one design.

Mayor Franzoia advised it would still come down to pricing. The concept, based on the motion, is that any one of those three is acceptable but it will be based on the price.

Councilman Johnson believed at this point the motion would work; it comes down to timing. One of the key issues is why is the Water Department involved with it; the importance is that the painting of the mural needs to be tied to tank paint so we don't cause an issue with the tank paint failing. Councilman Johnson expressed support of the Explore Elko Gold design; it promotes the trail center which Elko has invested heavily in and it goes along the lines of marketing Elko the best.

#### IV. NEW BUSINESS

- A. Review and approval of pending Special Events, and other matters related thereto.  
**ACTION ITEM**

This item has been added to the agenda in order to consider any application for Special Events received by the Clerks Office. Staff will report on any application on file. SO

- 1) Review, consideration, and possible approval of a request by the Western Folklife Center to close approximately four parking stalls located in the corridor in front of the Folklife Center on the west end, and matters related thereto. **ACTION ITEM**

The intention is to park a refrigerated trailer from Tuesday, January 26<sup>th</sup> until Monday, February 1, 2010.

Teddi Baer with the Western Folklife Center has requested the use of the parking spaces for a refrigerated trailer during Cowboy Poetry. This is being brought to the Council as it is the first year for this closure request.  
SO

Teddie Baer clarified the application was for two spaces.

Mayor Franzoia questioned why this was on the agenda.

City Clerk Owen advised it was considered as closing part of the corridor; we need to have some type of application process and this was the only venue we have.

Mayor Franzoia believed this was no different than a vehicle sitting there for several days.

Police Chief Zumwalt stated it was a permission issue.

Mayor Franzoia believed it could be addressed at a Staff level; we are trying to simplify the process for the applicants.

**\*\* A motion was made by Councilman Rice, seconded by Councilman Conner to approve the request by the Western Folklife Center to close approximately four parking stalls located in the corridor in front of the Folklife Center on the west end; contingent upon all appropriate paperwork being in place.**

**Motion passed unanimously.**

- B. Review and possible acceptance of a proposal for operation of the Food/Beverage Concession area at the Elko Regional Airport Terminal, and matters related thereto. **ACTION ITEM**

The City of Elko requested proposals to provide the Food/Beverage Concession at the Elko Regional Airport. The City received one proposal from Michael Lubliner (The Airport Bistro). Staff has reviewed the proposal and Michael Lubliner (The Airport Bistro) appears to meet all of the requirements requested in the RFP. Staff recommends awarding the Food/Beverage Concession to Michael Lubliner (The Airport Bistro). Upon awarding the Proposal, Staff will begin negotiating an agreement with Michael Lubliner (The Airport Bistro). TM

Airport Director Moyers advised the terms would be similar to what has been done in the past; we take a percentage of the gross receipts from the concessionaire.

**\*\* A motion was made by Councilman Elquist, seconded by Councilman Johnson to award the bid for the operation of the Food/Beverage Concession area at the Elko Regional Airport Terminal to Michael Lubliner (The Airport Bistro).**

**Motion passed unanimously.**

- C. Review and possible approval of a license agreement between the City of Elko and YESCO Outdoor Media, and matters related thereto. **ACTION ITEM**

The proposed license agreement will allow YESCO Outdoor Media to place one (1) commercial billboard on Elko Regional Airport property for ten (10) years. A copy of the proposed agreement has been included in the agenda packet for review. CC

Mayor Franzoia questioned if this would have to be bid.

City Manager Calder explained this is an existing sign; it was the old Stockmen's sign. Without this agreement the sign is going to be removed. Legal counsel reviewed this to determine whether it should be a lease or license agreement; the ultimate decision was made to approach it as a license agreement. This sign is on a very small piece of property and has existed there for quite some time. Revenue was based on the sign Cimarron West had ten years ago up near where the Newmont Building now stands. Staff adjusted that amount for CPI; going back over the ten year period; looking at each year's January CPI and adjusting it forward. There is an escalator at five years; it will adjust upwards 5% because we don't want to track CPI every year.

City Attorney Goicoechea advised he consulted with Ann Morgan, an outside source used in the past, she indicated other airports have been doing this. Her opinion was that because of the size it could be a license agreement rather than a lease. Mr. Goicoechea noted other signs in the city have been by license agreement. This provides more flexibility for the city and city has more control over the situation than under a lease.

**\*\* A motion was made by Councilman, seconded by Councilman Elquist to approve a license agreement between the City of Elko and YESCO Outdoor Media.**

**Motion passed unanimously.**

After the motion and before a vote was taken Councilman Johnson agreed with Mayor Franzoia, this should go out to bid.

Mr. Goicoechea advised the structure itself is already owned by YESCO; it would have to be removed.

Councilman Johnson questioned if this extension of what is currently there.

Mr. Goicoechea indicated it previously was Stockmen's; that expired.

Councilman Johnson requested verification the structure is owned by YESCO and Stockmen's was paying YESCO but the agreement was between the City of Elko and Stockmen's; is that how it was set up.

Mr. Goicoechea verified that was correct.

Councilman Johnson believed this was simply a housekeeping issue.

## **V. RESOLUTIONS AND ORDINANCES**

- A. First reading of Ordinance No. 711, an Ordinance adding Title 8, Chapter 19 to the Elko City Code entitled "Public Art Program", and matters related thereto.  
**ACTION ITEM**

On September 22, 2009, the City Council directed Staff to draft a Public Art Program ordinance for review and consideration. A copy of the proposed ordinance has been included in the agenda packet for review. CC

City Manager Calder indicated this has been reviewed by the Arts and Culture Advisory Board and legal counsel; comments and revisions have been made. The language spells out the policy, makes definitions and provides the framework to administer the ordinance, if adopted. At the heart of the policy is the 1% budgeting for public works projects over \$100,000; which means on large public works projects that are being funded from funds other than enterprise funds, it will raise the price of the construction project by 1%. Those monies would be accounted for in that public art account and used at a later time for public art projects as defined in the proposed ordinance.

Mayor Franzoia commented when council looked at this back in September it was before the down turn in sales tax receipts. With discussions we have had since regarding Idaho Street and how tenuous that is; we may be premature now in dealing with this. In September things were somewhat stable here; but now we are seeing the effects. We've made cutbacks since September; 1% may be a luxury we can't afford.

Councilman Rice believed we can always find a reason to say no; the return on this for the community is worth the 1%. Now, more than ever, is the time for the council to make this type of

investment and commitment; it is affordable. Art as infrastructure is as important to the life of this community as streets and sewer.

Mayor Franzoia indicated he likes the idea but advised caution based on historical background; everything is not trending to be a successful economy for us to provide additional things.

Councilman Elquist agreed with Councilman Rice; the question is does it really belong in our role as a city. 1% is just a relative number and he supported it.

Councilman Johnson agreed art is a player in the realm of things but this isn't a good program to get it implemented. This plan could ultimately affect the outcome whether the project gets done or not. Our budget is tight enough now and when we get into capital projects that 1% will make a big difference whether that project can move forward. It doesn't seem like a lot of money, but from the aspect of things, to put in a parameter, when you are trying to put a scope of things in the future together, it is not a good way to go. Go with it in an aspect that says this is the project that needs to be done, if we have extra dollars there are the things that we can put in to it; bottom line is that the infrastructure needs to get built.

Councilman Johnson advised this is not a good use of management for public funds and it should be decided on a case by case basis; based on the situation the public entity is in at the time. Councilman Johnson stated he did not like this concept; it has advantages but he would have stayed with the disadvantages overall. When you get into a financial situation you have to keep the financial information at your side in all the decisions that are made; ultimately the financial picture will dictate what gets done. Councilman Johnson recognized the importance of art in the community but this is not a good program to get it implemented.

Councilman Conner expressed his support of the ordinance; it is time to step out of the box. The Arts and Culture Advisory Committee has looked at different funding sources and this is reasonable

Bob Goicoechea spoke as a private citizen to acknowledge the Mayor's comments; maybe this isn't the best method of funding; however the grant monies received by the college made a tremendous difference to the beauty of the campus. If funds came available perhaps the city could seek grant funding to accompany those monies.

Mr. Goicoechea continued with a legal comment and indicated he tried to broaden the scope so it could include more i.e. sculpture and musical composition.

Public Works Director Strickland expressed concern with the funding mechanism; 1% out of public works is critical. Mr. Strickland encouraged looking at other options and not taking from public works; we need to protect our investment.

Mayor Franzoia requested confirmation from legal counsel if this ordinance passed it could be revisited at a later date.

Mr. Goicoechea verified that was correct; any ordinance can be revoked.

Mike Lattin stated his belief it was bad policy for the city to commit to funding something when you don't know in advance what you are going to put towards it and don't know what you are going to do. The money will be collected and somehow it will be spent. He preferred that the city budget first then do the projects i.e. paint the tanks. Mr. Lattin stated to collect 1% of public works projects then find a way to spend it is bad government. Mr. Lattin believed we would get a better return on our investment with improved infrastructure.

It was Mr. Lattin's opinion the ordinance is confusing and very broad. The council is opening Pandora's Box; you will become the arbitrators of what is and what isn't art. If grant money comes for streets, 1% of that money would have to be contributed to this fund. Mr. Lattin believed careful thought and analysis might be helpful before adopting this ordinance.

Chism Morris questioned the last time any money was invested in real art work or cultural advancement from city funds for the city.

Mayor Franzoia advised within the last fourteen years.

Mr. Morris believed it was time to take some kind of action. Mr. Morris acknowledged funding was a concern but was anybody taking into consideration any of the return that might come from art. There are other cities and areas that do art programs similar to this; it gets peoples attention. Mr. Morris noted discussion was just held regarding painting a mural on a water tank with the intent that it would drive people to consider Elko a place to go. Mr. Morris considered this an investment and would like to see backing from the local government; take into consideration some of the positives instead of just focusing on the negatives.

City Manager Calder commented with regards to the Recreation Fund; it does fund cultural events and organizations; the Western Folklife Center being one of those with a large annual contribution as well as the \$2 million contribution to the California Trails Center which is a twenty year investment, with interest, the City of Elko is paying on.

Councilman Elquist advised this could become a positive; you could end up netting more than 1% because you have energetic people out there with a budget, dollars and ideas and applying for grants; the Sno Bowl is a perfect example. In this matter the city is collecting 1%; go out and get money from private industries; let's take this and make something big. Councilman Elquist understood the position of the Public Works Department but believed this could be a good thing and would like to see how it plays out; there has been success in other communities with this same concept.

Jacque Errecart commented good public works projects can absorb 1% easily with good design and engineering. This is a quality of life issue and he supports it very strongly.

Councilman Elquist agreed grant money cannot be counted as part of the 1% of that total project; that needs to be clarified.

City Manager Calder clarified under the definition of eligible project costs there is a sentence that says "it shall also exclude funding from any outside source if such funds are not permitted to be used for works of art". If there is a state or federal grant that is going to be used as matching and it has an exclusion that it cannot be used, it will not count as going towards the 1%; many

grants are going to exclude that but there are other grants that may be inclusive of that. Staff believes they have it covered but may need to add more language to make that a little more clear; but that was the intent of that language.

**\*\* A motion was made by Councilman Rice, seconded by Councilman Elquist to accept First reading of Ordinance No. 711, an Ordinance adding Title 8, Chapter 19 to the Elko City Code entitled "Public Art Program", and forward to next council meeting for Second Reading and Public Hearing.**

**Motion passed 3 to 2.  
Mayor Franzoia voted against.  
Councilman Johnson voted against.**

## **VI. PETITIONS, APPEALS, AND COMMUNICATIONS**

- A. Review, consideration, and possible action regarding a request by the SnoBowl Committee for the donation of three (3) surplus handheld radios, and matters related thereto. **ACTION ITEM**

The Elko SnoBowl Committee has requested that the City Council consider a request for the donation of three (3) surplus handheld radios. The radios, Motorola HT 1000's, are Police Department surplus radios that are no longer being used. The radios will be reprogrammed and used for seasonal ski operations at SnoBowl. CC

City Manager Calder advised over the past couple of years the policed department has received federal grant monies that replaced many of the hand held radios so we have a surplus of the older radios. The Snobowl is in need of three radios; the older radios still operate and would be fine for that purpose.

Mayor Franzoia questioned whether this would need to go through the resolution process.

City Manager Calder advised if council approves the donation Staff will come back with the resolution at the next meeting.

**\*\* A motion was made by Councilman Conner, seconded by Councilman Elquist to approve the donation and direct Staff to draft to bring back a resolution.**

**Motion passed unanimously.**

- B. Ratification of the Chief of Police issuing a 30-day temporary retail liquor license and possible approval of a regular retail liquor license to Debi Pieper dba Silver Dollar Club located at 400 Commercial Street, Elko, NV 89801, and matters related thereto. **ACTION ITEM**

**\*\* A motion was made by Councilman Elquist, seconded by Councilman Rice to ratify a 30-day temporary retail liquor license and approve issue of a regular retail liquor license to Debi Pieper dba Silver Dollar Club located at 400 Commercial Street, Elko, NV 89801.**

**Motion passed unanimously.**

- C. Ratification of the Chief of Police issuing a 30-day temporary retail liquor license and possible approval of a regular retail liquor license to Debra A Mensing, Hadlor Inc dba Horseshoe Club located at 442 Idaho Street, Elko, NV 89801, and matters related thereto. **ACTION ITEM**

Chief Zumwalt advised this is a family member of the current ownership of the establishment; this will be transferred from one spouse to another.

**\*\* A motion was made by Councilman Conner, seconded by Councilman Elquist to ratify a 30-day temporary retail liquor license and approve issue of a regular retail liquor license to Debra A Mensing, Hadlor Inc dba Horseshoe Club located at 442 Idaho Street, Elko, NV 89801.**

**Motion passed unanimously.**

## **VII. 6:00 P.M. PUBLIC HEARINGS**

- A. Public comment period. **ACTION WILL NOT BE TAKEN**

This agenda item is to provide time for the general public to address the City Council regarding items of concern. Action cannot be taken at this time, but a matter can be set on the agenda for a future meeting, as appropriate.

There was no public comment at this time.

## **II. APPROPRIATIONS**

- A. Review and possible approval of Warrants. **ACTION ITEM**

**\*\* A motion was made by Councilman Elquist, seconded by Councilman Rice to approve the warrants.**

**Motion passed unanimously.**

## **VIII. REPORTS**

- A. Mayor and City Council
  1. Councilman Conner – Field trip to view Utah recreation center 1/14/2010.
  2. Councilman Rice – Thanks to park/recreation volunteers for grooming of Cross-Country ski trail at golf course
- B. City Manager
  1. Cross-Country Ski Trail history.
  2. Dawn Stout appointed to PEBs board by governor; term ends 6/30/2010
- C. Fire Chief – End of year report at next meeting
- D. Police Chief - Special events/excessive man hours; transitioning out of that type service.

- E. Parks and Recreation Director – Field trip to recreation center in Lehi, UT fully funded
- F. Human resources – Yearly AO Evaluations due back from council

There being no further business, Mayor Michael J. Franzoia adjourned the meeting.

---

Mayor Michael J. Franzoia

---

Shanell Owen, City Clerk