

**ROUND MOUNTAIN TOWN BOARD
REGULAR MEETING
DONALD L. SIMPSON COMMUNITY CENTER
650 CIVIC DRIVE, HADLEY SUBDIVISION
ROUND MOUNTAIN, NEVADA
rmtownadmin@gmail.com
TUESDAY, FEBRUARY 27, 2018 – 4:30 P.M.**

MINUTES

Members Present: James Swigart, Chair
Craig Barber, Vice Chair
Mackenzie Musselman, Clerk

Members Absent: Lisa Davila, Member
Robert Spivey Jr, Member

Also Present: Pearl Olmedo, Town Manager
Rebecca Hansen, Administrative Supervisor
Anna Berg, Recreation Director

Citizens Present: Mallory Barber
Emily Hendrickson



CALL MEETING TO ORDER

James Swigart: This time we will call the meeting to order at 4:30 p.m. on February 27th. Welcome everyone at this time we open the meeting up for general public comment, before I do that.

Rebecca Hansen: Roll call.

Pearl Olmedo: Roll Call.

Swigart: I'm Jim Swigart, I was getting there, the Chairperson and I would like to introduce our newest member Mr. Craig Barber and welcome him to Town Board.

Craig Barber: Thank you.

Mackenzie Musselman: Mackenzie Musselman, member.

C. Barber: Craig Barber, member.

PLEDGE OF ALLEGIANCE

The pledge of allegiance was recited.

GENERAL PUBLIC COMMENT (FIRST)

Anna Berg: Can I make a public comment?

Swigart: Are you a public?

Berg: Yes.

Swigart: Okay.

Berg: I'm just, on behalf of the Smoky Valley Baseball; they're just wondering when we can get the bathrooms open. They plan on starting practice next week on Monday. But you know with the freezing weather and stuff we're not sure how that works. So, just putting it out there to you guys. They wanted me to know when we can get the bathrooms open.

Swigart: That was a big issue last year.

Olmedo: That was a big issue last year.

Swigart: What was the?

Olmedo: The concern from staff was that in the event that it freezes you know we could end up with a huge clean up. Versus utilizing the porta potties for the time being and I know the concern of the Smoky Valley Baseball League was the use of the concessions and per health code requirements they needed water.

Swigart: Now the Simpson center would be open and the rec area for those?

Olmedo: Simpson Center and the rec area?

Berg: Or, yeah or the gym. They can come into the bathrooms in there if they if they need to. And we can put a porta-potty out.

Swigart: I would recommend that.

Berg: I let them know 2.

Swigart: I wouldn't recommend that. At the golf course we left the water on and we had heaters in there but the heaters failed and broke the waterlines, so.

Berg: April 15th is their opening day.

Olmedo: I would say, we'll go ahead and put up the porta-potties for now.

Swigart: Maybe, maybe by then.

Olmedo: Maybe by then it will warm up.

Swigart: We'll see.

Berg: Ok I'll let them know. Thank you.

Swigart: That's about when we want to turn the water on at the golf course. Who knows what the weather is, seventy degrees one week. -2 two days later. Any other comments from the general public?

Swigart: We have one other person.

Olmedo: Robert Spivey, Jr.

Swigart: And when is he going to?

Musselman: He was unable to make it this evening, he had some prior commitments, but he should be at the next board meeting. Do you have any nominations Mr. Chair?

Swigart: No, do you guys have any?

Musselman: No.

Swigart: Any nominations?

Olmedo: I think we can go ahead and nominate to keep you as chair.

Musselman: I second to keep him as chair.

Swigart: You have to you have to, you have to make the motion.

Musselman motioned to keep Jim as the Chair. C. Barber seconded the motion; motion passed 3-0.

Swigart: You guys have any interest in being vice chair? Just here throw the new guy out there. How about what's the, clerk.?

Hansen: Clerk

Musselman: I think it's actually supposed to be me. I keep saying member.

Swigart: You're, you're already the clerk.

Olmedo: You're already the Clerk.

Swigart: So, do we have any nominations for the Vice Chair or do we want to, we have to do it now or can we hold that off for another?

Olmedo: You guys can hold it off. if you want to.

Swigart: Yeah let's wait until we have everyone.

Olmedo: Alright so, in order of how the Clerk's office seated the vacancies for now we'll have to put Craig in as filling Roger's vacant position as Vice Chair. And then we'll seat Robert Spivey since he was the second nominee at the BOCC meeting as the other member.

Swigart: Well, I mean.

Olmedo: Just for the agenda purposes.

Swigart: Let's just do it this way then.

Swigart motioned to nominate Craig Barber as Vice Chair for Town Board. Musselman seconded the motion; motion passed 3-0.

Swigart: Craig Barber is Vice Chairperson.

Musselman: Congratulations.

Olmedo: Congratulations.

C. Barber: What just happened?

Swigart: Ok now, let's go for the Clerk.

Swigart motioned to nominate Mackenzie Musselman for the Clerk position. C. Barber seconded the motion; motion passed 3-0.

Swigart: What else do we have to fill?

Olmedo: That's it just those three.

Swigart: You show up we put you to work. Okay moving right along. agenda.

APPROVAL OF THE FEBRUARY 27, 2018 AGENDA

Olmedo: I request to table number 8 until we have a full board, and to get our newest members up to speed.

Swigart: I think that is a wise choice. Any other changes?

Olmedo: There are no changes other than 8.

Swigart: Okay, can we have a motion then to approve February 27th, 2018 agenda?

Musselman motioned to approve the agenda. C. Barber seconded the motion; motion passed 3-0.

APPROVAL OF JANUARY 23, 2018 REGULAR MEETING MINUTES

Musselman motioned to approve the minutes.

Swigart: You guys have reviewed these?

Musselman: Mmhmm.

C. Barber seconded the motion; motion passed 3-0.

DISCUSSION AND DECISION TO APPROVE ROUND MOUNTAIN GOLD CORPORATION 4TH OF JULY PICNIC

Olmedo: In your correspondence you have a letter from the Clerk's office. They are going on the agenda March 12th 2018 at the hour of 10:45AM to discuss this. So, I would like to send a notice to the Nye County administration office saying that we approve and there's no issues.

C. Barber: I'm sure it's been addressed in the past, what is the towns liability regard to a couple thousand people coming into town and all that have we ever had any issues with that?

Olmedo: No issues between Round Mountain Gold sponsoring it we've had no issues with the help of Cashman and the town, we all work together. No issues as far as the liability on the town. It's pretty much been a very smooth transition

C. Barber: Yeah.

Swigart: And there's never been any problems with this every year it's?

Olmedo: Every year it's a standard formality in town. No problems.

Swigart: Ok and you need action on this?

Olmedo: yes please.

Musselman motioned to approve the 4th of July stuff. C. Barber seconded the motion; motion passed 3-0.

Swigart: We will be enjoying another 4th of July picnic.

DISCUSSION, DELIBERATION, AND POSSIBLE DECISION TO APPROVE, AMEND AND APPROVE DRAFT RESOLUTION TO RETURN FUEL TAX MONIES TO NYE COUNTY HELD IN TOWN OF ROUND MOUNTAIN'S GENERAL FUND

Item tabled.

CORRESPONDENCE, AWARDS, DEPARTMENT UPDATES, AND ANNOUNCEMENTS

Olmedo: You have 7 items on your correspondence list this evening:

1. Tonopah Town Board meeting agenda for 2/28/18.
2. Tonopah Library Board of Trustees meeting agenda for 2/28/18.
3. Tonopah Town Board Budget Workshop agenda for 3/2/18.
4. Tonopah Library Board of Trustees Budget Workshop agenda for 3/2/18.
5. Letter from the Department of Taxation dated 2/21/17; Re: annual audit.
6. Letter from Nye County Administration dated 2/22/18; Re: Open Meeting Law Training.
7. Letter from Nye County Clerk's office dated 2/22/18; Re: Board Appointments.

Olmedo: Item 5, I don't know if we have, D. Tax pretty much let us know we have no violations regarding, on our audit. However, the one issue they noticed was our audits and anything that is statutorily required of Round Mountain Town Board needs to be submitted in a timely manner. So, just throwing that out there.

Swigart: Well we knew that was coming but.

Olmedo: We knew that was coming. So next year we'll try our hardest to get it in get the budget submitted prior to December 31st, 2018.

Swigart: We had some board members that were on vacation and then we had lack of quorum twice.

Olmedo: Twice. Mr. McArthur came out December 19th and we had a lack of quorum.

Musselman: And then he was ill.

Olmedo: And then he was ill the next, the first meeting in January. Yes, next time well try to get in in a timely manner. So that Department of Taxation isn't on us in regarding that.

Swigart: If you can red flag that for like 90 days out, 60 days out, 30 days out.

Olmedo: It depends on when the audit is complete. McArthur had it completed end of November so it is a tight window but I'll stress this year we would like to see it sooner in November.

Swigart: Very good.

C. Barber: That's good.

Olmedo: Item 6, that training will be held March 16th at 2pm in Tonopah. If you have the time it is requirement for all 5 members of our board to attend this year. We are still working diligently with POOL/PACT to try to get somebody out here, however without a full quorum it is a little hard to try to get it scheduled for everybody to come at the same time so I think at this point Fridays perhaps would be best for everybody.

Musselman: How long does this training typically last?

Olmedo: Its about 4 hours.

Musselman: Okay.

Olmedo: It just depends on how, it can be done in less 4 hours it just depends on how many questions the members have or anyone attending the training.

Swigart: I'm sure that the mine will, I know that Frank said that if it's like during a work day and if you need 4 hours to do that no problem I'm sure Dave would support that.

Olmedo: So, we'll shoot some tentative dates that they are available for you guys so we can try to get as many of you together here so you wouldn't have to travel but if you are able to travel to the March 16th open meeting law training I would strongly urge you guys attend. Item 7, states that at the February 20th meeting they appointed Craig Barber and Robert Spivey Jr. So welcome. And then we have correspondence from our Commissioner Lorinda Wichman that she wanted me to read. She states please let your board know you have 2 new members: Craig Barber and Robert Spivey Jr. You may want to reach out to let them and help them get started. During your meeting please welcome them for me and provide them with my contact information should they need any assistance at all. Look forward to working with them both and the Board as a whole. Lorinda Wichman Nye County Commissioner.

Hansen: It's not in your packets guys.

Olmedo: And it's not in your packet.

Swigart: No wonder I couldn't find it.

Olmedo: So welcome again to the both of you, Craig Barber and Robert Spivey Jr from Lorinda Wichman

Swigart: So, the By-laws have you guys had the opportunity to look at the by-laws yet?

C. Barber: I have not read them, no.

Swigart: Can we get electronically or copies.

Olmedo: They have it electronically.

Mussleman: Yeah.

Olmedo: However, I failed to bring you the hardcopies of those but I will make sure you get them so you don't print out anything.

C. Barber: Okay

Olmedo: Just to note in the Round Mountain Town Board By-laws if you were unable to make the meetings let Jim know, the town office know just so that you can be excused because in the by-laws if you have 3 unexcused meetings within a calendar year that could potentially lead to being removed from the board. So, if you just let us know it shouldn't be an issue.

C. Barber: Okay.

Olmedo: And on that note I want to let you know that Lisa Davila did call this morning to say that she would not be able to attend today.

Swigart: Where's Robert?

Olmedo: Robert had some prior commitments, he also let us know that he had an appointment today that he made three weeks ago so he was unable to attend. So, he is keeping in contact with us. And some time ago I sent you all a, to give you a quick update Craig and Mackenzie, last year it was a request from some of the Board members and the community members to have Town of Round Mountain allow donations towards the fireworks and one of the examples brought forth was "Lights of Love" I don't know if you have heard of that. "Lights of Love" is something I want to say they do in AZ, but they are able to donate money towards purchasing fireworks and then with that I want to say they run publications of how much was donated and it could be in loving memory of or in this family name or you know this business, to that effect. So, we have been working with our auditor and I got some information, we can, we were able to move forward to accept donations towards this year's fireworks display. So I put, we put together this flyer. And I don't know if you had a chance to look at it. Do you guys have any comments, you guys ok with it?

Musselman: Mmhmm.

C. Barber: Yeah, I think it's a great idea.

Olmedo: So, there's a Catch 22 to this, not on the town but the folks that are donating or sponsoring a firework so you gotta let me know what you guys want to do. If individuals were looking to utilize this as tax right off for calendar year 2018 we would be unable to if we ran it in any type of publication to say that they donated this much, the way IRS looks at it is potential free advertisement for businesses. So, if we continue to have them sponsor and run in any form of publication whether it be Facebook or local newsletter or newspaper the community would be unable to utilize it as a tax write off. So, we need to decide if we want to allow publication if they are wanting to do it this way or if we want to just do flat out donations from everybody and no publications. It would just be pretty much here's fifty bucks and write them a receipt for tax purposes and that's it. They wouldn't get any recognition of how much was given.

Musselman: Is there a way to have an option where it's an anonymous donation where they just silently do it and still run publications?

Olmedo: No, it's gotta be one way or another, because it's pretty much looked at as a potential free advertisement.

Swigart: So, I'm a little confused, shooting the fireworks off for the last 25 years. Is there a disruption in the show, I mean, for this? Say someone says fireworks for what did you call it.

C. Barber: "Lights of love"

Swigart: "Lights of Love" and I want to do \$250 for my mother-in-law now is that part of that or is all just incorporated, cause being a fireman I'd be like confused. Ok were doing this all now or this is an addition after the regular show the town has put on in the past, or what?

Olmedo: As far as shooting off the fireworks, there will be no disruption. As far as a town paid for it's no disruption. What, the only effect would be to the community. If they were looking to utilize this as a tax write off, we can't call it a sponsorship or we can't run it in the Valley View because my idea was to utilize this, fill out this form on the back here. So, and so, let's say Landing Zone decided to donate \$500 courtesy of Landing Zone and it would be publicized in the Valley View and on the town's Facebook site. If we go that route we can no longer say that Craig Barber and Landing Zone can utilize it as a tax deduction. So, the only disruption would be publication. Do we want publication as to you know who sponsored or do we just say we want to flat out receive donations and there's no publications run in social media, newsletters or newspapers?

C. Barber: I think the option for me as a business owner everyone knows the Landing Zone, everyone knows Shoshone Market so it's not, it's not in my interest to use it as advertisement, it's in my interest to give back to the community. So, I guess my option would be go ahead and advertise it, I'm not interested in a tax break. Yeah, I mean.

Olmedo: Yeah, and I think the original idea was, you know, folks just wanting to able to utilize it like a "Lights of Love" to say you know I donated on behalf of you know.

C. Barber: Exactly

Olmedo: So, this is what my feedback I got was if there were interested community members that were hoping to utilize it as a tax write off you know it's got to be a one way or the other.

C. Barber: Yeah.

Musselman: I would make sure to put that somewhere, that they don't get to use it as a write off. If we're doing that.

Olmedo: Yeah, we would have to include that disclosure on this. So, if you guys want to go forward with this, we can most definitely start advertising for this.

C. Barber: I agree with Mackenzie I think just having somewhere on there that due to acknowledgement of your donation it is not considered to be tax deductible. And yeah.

Swigart: And we have to let them that it's not there's not gonna be one portion of this show for your aunt, or your uncle or your grandma, or whatever.

Olmedo: No, the only recognition would, again, just be the advertisement. In print.

Swigart: And the thought process behind this was twofold: to reduce some of the cost of the town and get the other people involved in the town, right?

Olmedo: Right.

C. Barber: Works.

Musselman: I like it.

Swigart: Mokay.

Olmedo: We have the weight room still currently closed. We had run into some unexpected, time frame issues that came up last week. So, we did not open the weight room as we had hoped over the weekend. So, they are working diligently to try to get it reopen this week you know with losing an employee and just the shortage of personnel all around, everybody is trying to work around their own schedules to try to help with getting the weight room face lift completed. Staff will be attending some upcoming training. That shooting that happened in Florida and the multiple shootings that happened around the country, POOL/PACT is sponsoring an Active Shooter Course. So, we'll send a couple of folks up to take that course and bring back the knowledge to share with us. In future depending on the availability of board members and stuff I'd like to hold one here locally to get that done. I think it's something that we should really look into. My idea to try to invite school officials, and I don't know if mine employees would be interested in attending sending management just to take a piece of knowledge back to the departments. So, look forward to that, and I hope that you would all would be able to attend, I think it's important.

Swigart: Where is the class, that your employees are gonna be?

Olmedo: It's in Carson City.

C. Barber: Who is doing the training.

Olmedo: It's our Liability Insurance. It's called Nevada POOL/Pact and they are a risk management agency. They will be sponsoring that training.

Musselman: Tonopah did one a couple years ago it was done by the Department of Homeland Security, and they opened it up to the entire public. A few of us went as EMS and I think if we do that here, we should try to open it to the public too, cause a lot of people were like, "oh I didn't even know what to do" so it might be good information for more than just our town officials and stuff too.

Swigart: That's a good idea. Didn't you used to teach that class?

C. Barber: I'm an instructor for it-was.

Musselman: Look Craig now you're the Vice Chair and our instructor.

Olmedo: That sort of certification does not expire right?

C. Barber: No, no it doesn't.

Swigart: That'd be good, it's something we all need to think about because I think there's a lot of communities out there that they used to say it cannot happen here.

Musselman: Until it does

Olmedo: Until it does, yeah.

Swigart: They're like.

Olmedo: We're unprepared. And as a reminded the Annual Town of Round Mountain Easter Egg Hunt will be Saturday March 31st so mark your calendars, bring your little ones, remind folks with little ones. And it's not just too little ones it is also to adults. So, we will get the times and ages posted on Facebook and prior to that we will email board members a copy just so that you see what's going on. So, I encourage adults to show up, its, the participation numbers have been pretty low the last couple years.

Musselman: Are you guys advertising in the Valley View as well?

Olmedo: Yes, we do.

Swigart: When does the weight room, when do you foresee it opening?

Olmedo: Do you have an update on that Anna?

Berg: I went over there today, but it doesn't look like it will open 'til the end of the week.

Swigart: So, you'll put that information out to the public or Facebook page. So now it's gonna be probably 'til Saturday.

Berg: I'm hoping it's going to be open by Friday afternoon, but I'm not, I have no control over that. Depending on how the walls are all primed right now, we just need to finish painting and then clean up. So, cleanup is probably gonna take a.

Swigart: Who is doing that work?

Olmedo: Maintenance.

Berg: Maintenance and town employees.

Swigart: Mokay.

Olmedo: And that is all we have. Oh, fire department there's an upcoming training in, a hazmat tactical analysis cards training end of March. So, I'm hoping we will be able some volunteers for Pahrump for that training. Our numbers are due next week, so I'll give you an update to see if we are able to send anybody to that training. That will be March 26th-31st and it's a two-day course, 8-5.

Swigart: And new fire chief, seems to be doing well?

Olmedo: He's only a week in.

Swigart: What about the contract thing for his pay? Are we still working on that?

Olmedo: He hasn't been able to stop by, he's pretty busy. So, I pretty much told him to catch up with us when he has a moment to breathe and sit with us. But as far as transition from old chief to new chief: Keys, things that need to be signed off it's done.

Musselman: Has that been made very public yet?

Olmedo: What's that?

Musselman: Greg?

Olmedo: Yes, that was voted on last meeting so.

Musselman: Did we have any Facebook posts that's like, welcome your new fire chief, or anything or did we have plans to do that?

Olmedo: No, we typically don't do that.

Musselman: Okay.

Swigart: It would be a good article.

Olmedo: We could.

Swigart: For the paper.

Olmedo: The Simpson Center Kitchen will be closed the week of March 12th to complete/fix compliance issues that Department of Health reported last year. So that's another project that's coming up for maintenance. And that is all I have for Department updates.

Swigart: No more issues with Sewer Treatment facility?

Olmedo: No more issues. We have our, we advanced from within between him and Joe Westerlund, they've been working together they communicate well. They're try to get some things squared away just so that anybody in future that may take the position or go into the office and look that it's all in order. So, they have been working well together.

Swigart: When will Mr. Brown be able to challenge test or take the test for that?

Olmedo: So, he should have submitted an application, and it's at least a three to four week wait before he has a response so we hope that he is admitted to the April Test Date. So, he is working with Nevada Rural Water Association. The Nevada Rural Water Association is organization that checks up on public entities within Nevada and there's a water tech and wastewater tech and they both have been coming out and phoning in to Darrick just to check up and see if he's interested in any type of training sessions. From what I understand they have given him a wealth of information and he is studying.

Swigart: Yeah, it's pretty costly to have these outside guys come in, it's like \$4,000.

Olmedo: Right now, we're paying \$2,000 a month.

Swigart: \$2,000 a month. So, its real important to get Darrick to a point because he has to have so much time with a licensed operator.

Olmedo: Correct.

C. Barber: Correct.

Swigart: And then he has to pass the test, so hopefully

Olmedo: So hopefully he can get licensed a lot faster than you know than someone off the street. Right now, he is getting operator credits working with Joe.

C. Barber: That's a big certification, those guys go to big municipalities they make big money. And is there something in the future that if somebody is put in that position we can put them under contract as far as; hey were paying all of this money for your future. Therefore, you owe us three to five years of time before you'd be eligible to move on and if not, you need to reimburse us the cost of that schooling.

Olmedo: Currently with the higher-level positions within the town there is a payback schedule and there is a contract they do sign.

C. Barber: Perfect, good.

Olmedo: So, you know for now at least a couple years we got some of those folks in place.

C. Barber: Hold them tight.

Olmedo: On that he will be our utility operator will be attending the water conference coming up in March so again you know he will be able to speak with other folks within that industry if he has any questions if there's something he's not understanding. He has the opportunity to speak with other operators, and on top of that he will be attending courses designed to help him study for the upcoming test. So, he will be gone for a week and those are CEUs that he will be obtaining for his license.

Swigart: and as always to have with a good secession plan have somebody in the back pocket maybe starting the initial training.

Olmedo: We're hoping to do that with our new maintenance worker when they come on.

Swigart: Ok, very good, anything else Pearl?

Olmedo: That is it.

Swigart: You guys have anything else?

C. Barber: No sir.

REVIEW AND APPROVE INVOICES FOR THE TOWN OF ROUND MOUNTAIN

Olmedo: Did you pack them?

Hansen: I didn't.

Swigart: At this time we can't find the invoices.

Hansen: We will move that to the later part of the meeting.

Swigart: Okay.

Hansen: You guys can proceed with Budget Workshop. I will return.

Swigart: Can we have a motion to approve invoices?

Musselman motioned to approve the invoices; C. Barber seconded the motion; motion passed 3-0.

Swigart: Invoices have been approved.

BUDGET WORKSHOP – THIS WORKSHOP IS TO DISCUSS THE 2018-2019 FISCAL YEAR BUDGET

Olmedo: So, I said that it was gonna be easy tonight. Tonight, we will be discussing salaries and benefits. Before you, you have two spreadsheets. If you note in the upper left-hand corner you've got the no salaries spreadsheet or no salary increase spreadsheet, and then you've got the 50% cost of living increase on the second spreadsheet. So, if you want to take a look at the first one, which would be the no salary or no cost of living increase they are broken down by department. So, your first section would be administration, so if you want to take a minute to review that. There's three full time positions within that scale and a part time if we were to go with a summer hire. So, based upon 0% cost of living increase total total for administration we're looking at \$370,985.21. And then we will be saving a significant amount within the Fire Department as we decided to stay with a volunteer Fire Chief. And we agreed to stipend that position of a \$1,000 a month. So that department you are looking at \$28,445.71 and out of the department we will only be expending Workers Comp.

Musselman: Am I reading that correctly we don't pay don't pay the firemen?

Swigart: No. Strictly volunteer.

Musselman: Okay.

Olmedo: And then within Recreation you got two full time positions in there and you're looking at \$113,916 with salary and benefits. We have 7-part time positions for the swimming pool, and with salaries and benefits you're looking at \$31,388.10. With our part time folks, we only cover Workers Comp, Medicare and Social Security. Buildings and Grounds, you're looking at three full time positions and total for that department is \$200,031.20. And with the Public Utility Department you've got one full time and then the administrative supervisor is paid half the salaries and half of the benefits come out of Public Utility for that position and you're looking at a total \$102,176.95. And just to get you up to speed on it, Town of Round Mountain employees did not receive a cost of living or merit increases from the, this current fiscal year we are working in. We used to do Merit Increase up until this last past year. So rather than going to merit increase we talked about a \$00.50 cost of living increase across the board. So, you have the two different pages to compare.

C. Barber: Why was the decision made to go from merit increase to COLA.

Olmedo: The merit increase was a little tricky. It was anywhere from 0-4% and past practice a lot of the folks got the 4% so 4% on a lower wage wasn't that much, 4% on a higher wage was quite a bit on money. So, we thought we could get away from the merit increase and just do the Cost of Living across the board. Just one set amount versus a 4%, 3% on a \$34/hr. rate versus \$15/hr. rate. And then the results of discussion regarding some

of the folks on merit increases they wanted some of the members wanted to bring them in and discuss things like that so we just figured this would be the easiest way.

Swigart: I like a merit-based system, you know because you're based on their performance, based on several things, quality, quantity, the amount of work, getting along with others, safety everything. You know but those should be based on your reviews your annual reviews of those individuals and your recommendations. One of the reasons that the merit increase stopped, is because everyone on the town board and in the town was wondering if we were even gonna have a town, and it was all dependent upon Phase W. And also, there was three projects that we were way behind on and we were over budgeted which was the Pool, the sewer project, and the basic roads. Those have pretty much been taken care thanks to Pearl and her staff, all the other people, hardworking people, that helped with the Pool and Sewer Treatment Facility. I think it's something when we get the entire board here we can look at it, say two months from now. I think just an increase, you know, this every year, without taking into consideration a person's work performance is not the right way to go.

C. Barber: That I agree, I know, you know, having the opportunity to look people in the eyes and while starting first of the year, people understanding; hey if I work really hard I can get additional money, if my performance is right, if my attendance is right, if my initiative is right, all those things that might be on a review. That gives them incentive to work hard. If they know well I'm just gonna get \$00.50 an hour at the end of the year so if I'm a "C" employee or an "A" employee it's not gonna matter I'm still gonna get the \$00.50 an hour versus well if I work really hard I maybe I'll get another 1.5%. I like that, I also like the fact that, you know, we're always competing with the mine. I see quite the turnover rate and we're happy, we're happy when our employees go to the mine, because we know, man, they can make a lot more money. But it's you know it's a pretty simple basic job my employees do. But when you have Recreation Directors, when you have Town Board Managers, and Maintenance people and you know water treatment those are not fly by night positions. And so, my personal feeling is, I would like to see the merit increase come back to give our employees incentive to work hard, do well and stay here.

Swigart: I think we're in a lot better place than we were.

Olmedo: And on that you know the other thing that we also the reason why we decided to forego that was Net Proceeds. There was a significant decrease in that and we don't budget for it but that's a good chunk of change that decreased over the last few years. I don't know what we will receive this year, I won't see those figures until mid-May. But as it stands right now, there's nothing deposited as far as Net Proceeds of minerals are concerned. We were being really conservative the last year.

C. Barber: Sure, I think everybody was.

Olmedo: That was our approach putting this together was still with a conservative approach was just a cost of living increase across the board for now and perhaps we could revisit next budget cycle for merit increases and bringing that back. For me at a budget stand point, taken the very conservative approach.

C. Barber: I apologize, just trying to catch up here. Why a Net Proceeds drop, last couple years?

Olmedo: So, there was, prior to 2-3 years ago they were paying a portion of actual and a portion of projected. From our understanding statutes changed so now their reporting requirements went on actual so they had credits, so that's the reason why there's a decline in that. Unless Emily you know of something more concrete than that?

Emily Hendrickson: On the top of my head no.

Olmedo: On net proceeds of minerals?

Hendrickson: It's out of my realm.

Barber: I know there is, since I have been since 1990 we always had five years of mine life because you got taxed on your proven reserves and you know if you come out and say we have proven reserves for the next 40 years you're gonna pay a lot more taxes, at the end of the year we try to get our fuel levels down and inventory down so we don't have to pay for that because it looks like retained earnings. The mine is doing the same thing.

Olmedo: So, I want to say the credits are catching up, basically they've paid quite a bit and so when the actual numbers are coming in they are taking credits because they have paid so much in advance.

C. Barber: Okay.

Swigart: So, I think this is something I don't have a problem going with the COLA increase and then looking at a midyear merit increase and then end of year merit increase.

Olmedo: We could do that just so that you know, we can go ahead, these are just figures that I would like try to get zoned in for now, so I can start preparing forms for D. Tax. The tentative is going to be due here in a couple months. So, I try to get as much information in so that I can get it submitted to the state. The final is what's important, once we start the fiscal year July 1 of this year we can always go back and amend the budget if we have to. Of course, that will have to be; we have to post an agenda for time for the public to come in and say their peace if they want to. If there's an interest of doing, let's say, six months into the budget year and we want to do another cost of living increase we can amend the budget.

Swigart: Ok, very good. That wasn't so tough. It sounded a lot worse on paper. Anything that has work or workshop.

Olmedo: Do you have anything Mackenzie? So, is it safe to say I can start preparing with the \$00.50 cost of living increase?

Swigart: Yes, I would.

C. Barber: Yes.

Swigart: Let's do that.

Olmedo: As far as administration is concerned we don't really have a lot of capital outlet projects that we want to do. We do want to continue rolling over the phone and call piloting system at \$2,000, just in the event something happens to the system we do have that money in place if we have to repair or replace the Town's phone system. We do want to roll over the computers at \$6,000 in the event something happens, last meeting we approved 5 computers: 1 for RMPU, 2 at Administration, 1 at Rec and 1 for buildings and grounds. We would like to go to a server system with Recreation, just so that; right now, they're working off 3 computers. One computer is solely designed for the camera system, one computer is for the facilities aide and runs the door system; the card reader to get into the weight room. Then 1 computer is for the Rec Director. We would like to give those computers a break and put them on a server, so we are not bogging down their computers systems.

C. Barber: Okay.

Olmedo: We went to a server system at Town Hall a few years back, let me tell you it works wonders. It's nice to have one location for all of our files, that's continually backed up so we don't have to worry about what did we back up on this or what did we back up this computer and trying to figure out who's document is the most

recent. We talked about a Town Hall remodel, it's been on the budget for quite some time. That's at \$15,000 it doesn't look like we will be able to get to that this year. So that it's also another item to be rolled over for Administration. Depending on how things go as far as Net Proceeds of Minerals we would like to discuss, hope to, perhaps replacing the Town Hall building. The building came down from Old Round Mountain, I'm sure you know you guys remember, and it's just old and falling apart. It's just not very energy efficient; we got Becca's office which is caving in on one side.

Hansen: And it's freezing.

Olmedo: So, we would like to talk about that and hopefully bring that on as a capital outlay project, but of course time will tell with what money is looking like. As far as buildings and grounds and public utility department they are still fine tuning their department requests and capital outlay project requests, and I hope to bring all of that at the next budget workshop. Have any questions?

C. Barber: None

Swigart: Very good, thank you at this time, have we found the invoices? We will approve the invoices.

GENERAL PUBLIC COMMENT (SECOND)

Musselman: Round Mountain EMS is sponsoring a class tell your friends. Anna is already in it, so tell your friends, if they want to be a part of it. We are still taking people, we don't have an exact date. I'm waiting on the state for my license and its recertification time, I've been waiting since almost before Christmas, so any day now. Hopefully.

Olmedo: When you get a schedule, Mackenzie will you email me so I can write that on the firehouse board.

Musselman: I sure can. Alright, thank you.

Swigart: Any other public comment?

ADJOURN MEETING

Musselman motioned to adjourn the meeting at approximately 5:30 p.m. C. Barber seconded the motion; motion passed 3-0.