

CARLIN CITY COUNCIL
CITY OF CARLIN, STATE OF NEVADA
SPECIAL MEETING
CARLIN CITY HALL
101 SOUTH EIGHTH STREET
CARLIN, NEVADA
July 21, 2010, 7:00 p.m.

Call to Order and Roll Call:

Mayor Cliff Eklund called the meeting of the City Council to order at 7:00 p.m.

1. Council Members Present: Mayor Cliff Eklund
Vice Mayor Donnetta Skinner
Councilperson Lee Griswold
Councilperson Lincoln Litchfield
Councilperson David Trujillo

Absent:

2. Administrative Staff: City Manager Glenn Trust, City Clerk LaDawn Lawson
3. Public Present: Pam Borda, Nina Sivak, Daniel Sivak, Steve Feasel, A.B. Simpkins, Teri Feasel, Kim Ferrin, Ben Durham, Patrick McCourt, Byron Georgiou, Dusty Allen, Jim Sheyker, Okie Roland, Tonya Roland, Jason Moon, Jim Stryker, Duston Dance

Pledge of Allegiance

I. Presentation of a development plan for property owned by the City of Carlin along SR 766, north of Interstate 80 by Carlin Nevada Development, LLC, and all related matters. (Non-Action Item)

1. Mayor Cliff Eklund introduced Byron Georgiou, Dusty Allen, Ben Durham and Patrick McCourt.
2. Ben Durham, manager of the project, introduced Patrick McCourt to present a PowerPoint presentation.
3. Patrick McCourt, Carlin Nevada Development LLC, stated he is the responsible party for the overall planning of the proposed development, subject to the City Council's approval. He stated they are aware of the history of the development and presented the concept. He stated they are open to suggestions and comments.
4. A manual slide show was presented, including a location map, master site plan, residential units and commercial units, timelines and development tasks. The development will be a self-contained 375 +/- homes on individual lots and 150 +/- multifamily apartment units. A slide show was then presented. Commercial development 50,500 square feet, recreational amenities and open space. Two sites of 168 lots and 207 lots would contain the residential home built as 50 units per phase. Water, sewer, paving, curb, gutter and sidewalks, asphalt would be performed by the developers. Five (5) proposed floor plans ranging in size from 1400 to 1900 square feet have been identified, with construction on full basements. Three (3) different exteriors are being proposed, creating a variation in the streetscape. The intent is to build five (5) model homes immediately. Multifamily units, 150, on approximately 7 acres, are two stories with exterior entry, single floor apartment, 1, 2, and 3 bedroom units ranging in size from 900 to 1200 square feet, patios with storage, washers and dryers in the units, assigned parking, planned playground and set on ground level. The intent is to put a community center for the apartment dwellers. Commercial building of 22,500 square foot with 12,000 square foot wings on either side, designed for construction that allows a 12,000 square foot wing to be built without building the 22,500 square foot or vice versa. A building of 6000 square foot would be placed on the commercial pad and a potential bank area also in the concept. Parking of 412 stalls and possible future development to the south. A

- construction office would be placed on the site immediately after contract approval. Construction would begin in August 2010 and continue through September 2014. The market would ultimately drive the construction and the timeline. Leasing and sales would begin in August. Development Agreement encompasses the land use, water, sewer, traffic, schools, park, recreation and services addressed in a process with City Staff.
5. Byron Georgiou, businessman and lawyer of Las Vegas, stated they propose to build residential homes and apartments Carlin will be proud of. He stated construction jobs would be created. He explained his property in Sparks containing a gold course and restaurant and in Dayton he is currently building single-family residential homes and selling 2-3 per month. He stated he is also a principal in Extreme Green, which builds a line of electric vehicles in Las Vegas, and moving into a new 45,000 square foot building in North Las Vegas and putting people to work. He stated he sits on the Financial Crisis Inquiry Commission, which is looking into the causes of the global economic crisis.
 6. Vice Mayor Donnetta Skinner reported on and read a letter received by the City Attorney from Carlin Associates, LLC of Boise, Idaho: *Dear Mayor Eklund and Members of the City Council: This letter shall serve as our request that the Mayor and Council defer action on the proposed sale of property to Carlin Nevada Development, LLC, to their next scheduled meeting on August 11, 2010. ¶It was our understanding that when the foreclosure proceeding for Nevada Developers was completed, that we would be contacted. In the interim, we have been waiting for those proceedings to reach a conclusion. To date, we have not been contacted by the City and we have just been made aware of tonight's special council meeting; therefore, we are making this request to allow additional time for all affected parties to meet and discuss a master plan of the property. ¶As you know, we have expended considerable funds and time working on this property, and bringing a plan forward that will be beneficial to the City of Carlin and all involved parties. We feel the additional time requested would allow the parties to gain a greater understanding of the benefits that a well thought-out master plan offers to the long-term use of the property. ¶We have authorized Brian Knowles to represent us in this request at tonight's meeting. ¶Thank you for your consideration of our request. ¶Best Personal Regards s/H. Larry Leasure, Managing Member, Carlin Associates, LLC, Chairman, White-Leasure Development Company*
 7. Brian Knowles, Carlin property owner, stated he was involved in the property from 2004.
 8. Mayor Cliff Eklund stated he has a problem with this request, as the City has been a mediator in the project and that only served to delay the work. He stated the City tried to contact Mr. Leasure many times and he did not respond. He stated they are trying to move forward.
 9. Brian Knowles stated that they have always been in the position of moving forward, but the other developers prevented this. He stated they are only asking to sit down with the people replacing NV Developers to move forward with the master plan.
 10. Bob Goicoechea, City Attorney, stated, "As you saw on the program the five (5) acres that you claim equitable interest in is a part of the multifamily residential area they plan working on right away".
 11. Brian Knowles stated they found out through third parties and the property he has an interest in, he would like to see what could be worked out and move forward.
 12. Bob Goicoechea, City Attorney, inquired if he had any conversations with people in this organization.
 13. Brian Knowles replied affirmatively, he contacted Tom Ortiz yesterday.
 14. Bob Goicoechea, City Attorney, inquired "What did he fill you in on and whether he identified himself as being in this organization".
 15. Brian Knowles stated he has been advised not to comment on that because there seems to be extreme discrepancies in that situation".
 16. Mayor Cliff Eklund stated they tried to get an answer on Tom Ortiz' involvement and are told he is no more than a contractor, but acts like he has more interest than a contractor.
 17. Bob Goicoechea stated, "You are banking on the City to postpone until August and this may

- well not happen. You piece of property, although in the master plan, is not being sold and neither is the 40 acres”.
18. Brian Knowles stated he would like to meet and continue to participate and move forward as quickly as possible. He stated they were told that once the foreclosure was cleared, we would be contacted.
 19. Mayor Cliff Eklund inquired who that was.
 20. Brian Knowles stated, “The City Manager and the Mayor”.
 21. Mayor Cliff Eklund stated he did not say that.
 22. Brian Knowles disagreed.
 23. Vice Mayor Donnetta Skinner stated “We have had a lot of problems with this whole company, the many times we have tried to contact you, we have never been able to get a hold of you. I think we need to just go on with this”.
 24. Brian Knowles agreed.
 25. Vice Mayor Donnetta Skinner stated they had contacted Brian Knowles over the past and asked Mr. Leasure to reply and no one has responded. “As far as I am concerned, he is out of it and if you want to talk, you talk to the developers, not to us, because you have not followed through with what you told us you were going to do. Even when we have tried to contact you, we have had no response from you whatsoever”.
 26. City Manager Glenn Trust stated he agrees with Vice Mayor Donnetta Skinner and stated neither of the parcels that Mr. Knowles and Mr. Leasure are referring to are in the Agreement and there is nothing preventing them from speaking to the other group sometime in the future after this moves forward. He stated they have a developer with the financing and the City has verified that. He recommends there is no reason to stop tonight and hold this up for a month.
 27. Bob Goicoechea inquired if the new developers would make a good faith effort to contact these other developers.
 28. Byron Georgiou stated, “Carlin Development LLC is 100% owned by me, my wife and my children. I am the managing member and no decisions are made by anyone other than me and money is committed by me. It is true that I have a management development agreement with several individuals in this room who have the expertise. It is true that I talked to Tom Ortiz and learned a lot from him about what happened here. I try to learn from the mistakes made in the past and do it better and that is what I am doing with Mr. Ortiz. I assure you he cannot make any decisions on what we are doing or not doing, because he does not have power in that regard and he lost his property to the people who lent money against it and we are in contract to buy it back from him and we are discussions as to the remainder of the property. We would urge you to act promptly”.

II. Public Hearing to review the Appraisal Report of property described as Parcels C-2, C-4, C-5, C-6, C-7, C-8 and Remainder of C-9 as shown on that certain Parcel Map for the City of Carlin, Nevada, filed on June 15, 2007, in the office of the Elko County Recorder, Elko, Nevada, as file number 575355 and to establish the fair market value of the property, and all related matters. (Action Item)

1. Okie Roland stated they have owned land and business for years and they keep getting extensions. He stated the other people should not have anything to say what goes in Carlin, because they made promises they could not keep. He stated his wife has given Carlin 100% and he likes the new developers. He noted if they have to give up their property to bring the new developers in, but the previous developers should not brought in.
2. Tonya Roland stated she started the process a long time ago and wanted a bigger building, because the little store is too small. She stated she needs a bigger building and has for six (6) years. She stated Tom Ortiz lied to Carlin and to her. She stated they “need to make sure this is pushed through and pushed through right”.
3. Mayor Cliff Eklund agreed and noted that the developers were required to bring this to the Council in total form so what happened before would not happen again. He confirmed,

- “This needs to go through for the good of Carlin”.
4. Ben Durham explained the focus of the new developers. He stated, “We are not changing anything, but bringing to fruition a deal that began six (6) years ago and hopefully we can expedite this”. He explained the benefits of expanded infrastructure, tax base and amenities.
 5. Discussion was held about the schools.
 6. Steve Feasel stated nothing has been established for Carlin and since the last development fell through, Carlin has not been put on the list again.
 7. City Manager Glenn Trust stated that until they know the Council decision is and the increased students will occur over a number of years.
 8. Discussion was held on the children getting across the freeway.
 9. Nina Sivak stated she has a CDL and if they need a driver for the school, she will drive the bus.
 10. City Manager Glenn Trust reported summary copies of the appraisal are included for board review and the full copy can be viewed, but it was cost prohibitive to copy. He stated the appraisal was performed by William Tessler and paid for by the developers with the 2323.73 acres at \$2,500 - \$3,500+- per acre for residential property at a total cost of \$700,000.00. He stated the commercial property of 72.66+- acres at \$3,500-\$4,500+- at a total cost of \$300,000.00.
 11. **Councilperson Lincoln Litchfield moved to approve, accept and establish the fair market value for Parcels C-2, C-4, C-5, C-6, C-7, C-8 and Remainder of C-9 as shown on that certain Parcel Map for the City of Carlin, Nevada, filed on June 15, 2007, in the office of the Elko County Recorder, Elko, Nevada, as file number 575355 at \$2,500 - \$3,500+- per acre for residential property and \$3,500 - \$4,500 per acre for commercial property in accordance with the Appraisal Report dated June 3, 2010 provided by William Tessler, Certified General Appraiser, State of Nevada. Vice Mayor Donnetta Skinner seconded the motion. The motion carried.**

III. Review, discussion and possible approval of City of Carlin Resolution 2010 -16, a resolution finding it in the best interest of the public to sell city owned real property without offering the property for sale to the public and for less than fair market value, and all related matters. (Action Item)

1. Bob Goicoechea explained this is the exception to the general law of Nevada that the sale fits under the exception to bid to establish new commercial enterprise and residential housing to support new commercial enterprise.
2. **Councilperson Lincoln Litchfield moved for approval of City of Carlin Resolution 2010 -16, a resolution finding it in the best interest of the public to sell city owned real property without offering the property for sale to the public and for less than fair market value, and all related matters. Councilperson Lee Griswold seconded the motion. The motion carried.**

IV. Review, discussion and possible approval of a Land Purchase Contract selling Parcels C-2, C-4, C-5, C-6, C-7, C-8 and Remainder of C-9 as shown on that certain Parcel Map for the City of Carlin, Nevada, filed on June 15, 2007, in the office of the Elko County Recorder, Elko, Nevada, as file number 575355, owned by the City of Carlin to Carlin Nevada Development, LLC, and all related matters. (Action Item)

1. Bob Goicoechea stated, “This contract does not include the sale of Parcel C-1, the five (5) acres owned by Knowles and does not include Parcel 3 owned by Leasure and Fløge”. He stated he hoped the parties could get this resolved because the City does not want to litigate.
2. City Manager Glenn Trust explained the purchase price is \$100,000.00 plus the following and no funds are being expended by the City. He noted in addition, Carlin Nevada

Development LLC is responsible for all NDOT improvements required, all interior roads, curb, gutter, sidewalk and storm drain throughout and water storage required by statute for the entire development at 1,600, 000 gallons. He stated the benefit to the City is significantly more than the appraisal.

3. Ben Durham stated they acknowledge and understand that Parcel C-1 and Parcel 3 is not part of the current transfer and transaction and understand the infrastructure required and “we are prepared to close that tomorrow”.
4. Bob Goicoechea stated they have received the preliminary title report and did not see any problems, but it did include Parcel 3, which is okay and covers all the property. He inquired if the escrow would be closed in Elko or Las Vegas.
5. Mr. Georgiou requested they discuss that after the Council takes action.
6. Councilperson Lincoln Litchfield stated he went on the internet and saw information about Mr. Georgiou and was impressed. He stated he wanted to “mirror the statements by the Roland’s. This town cannot take one (1) more failure and I believe you are going to follow through with what you say you are going to do and will be a great asset to the community”.
7. Byron Georgiou stated they are totally committed to the project and prepared to demonstrate that daily.
8. **Councilperson Lincoln Litchfield moved for approval of a Land Purchase Contract selling Parcels C-2, C-4, C-5, C-6, C-7, C-8 and Remainder of C-9 as shown on that certain Parcel Map for the City of Carlin, Nevada, filed on June 15, 2007, in the office of the Elko County Recorder, Elko, Nevada, as file number 575355, owned by the City of Carlin to Carlin Nevada Development, LLC, and all related matters. Councilperson David Trujillo seconded the motion. The motion carried.**

V. Review, discussion and possible approval of the Amended and Reinstated Development Agreement between the City of Carlin and Carlin Nevada Development, LLC pertaining to Parcels C-2, C-4, C-5, C-6, C-7, C-8, Remainder of C-9 and C-10 as shown on that certain Parcel Map for the City of Carlin, Nevada, filed on June 15, 2007, in the office of the Elko County Recorder, Elko, Nevada, as file number 575355, and all related matters. (Action Item)

1. City Manager Glenn Trust stated the Agreement has many parts and is an extension of the original reinstated Development Agreement with the development being done at no expense to the City. He stated the housing will be constructed on site and the developers will provide water, sewer and water storage capacity and will meet City Code permitting, licensing and plan approval. Certificate of Occupancy requires road be completed and he read *Exhibit B, page 19* *Additionally, all construction and work, to include engineering and design of any element of the project shall be commenced within thirty (30) days of plans approval thirty-three homes must be constructed with certificates of occupancy within sixteen (16) months of execution of the Agreement.* All the utilities and infrastructure will be bonded and maintenance bond for one (1) year after the completion.
2. Bob Goicoechea explained that each phase of the residential a preliminary map has to be prepared and final subdivision map has to be approved which generally takes a couple of months. He stated they cannot sell the homes until the final subdivision map is approved. He noted SR766 has to be completed according to NDOT and the first interior road has to be done to the satisfaction of the Council and curb, gutter and sidewalks done for the model homes.
3. Byron Georgiou concurred.
4. Mayor Cliff Eklund complimented the people involved in this process, noting everyone was professional. He stated there are safeguards protecting the City and many were suggestions of the developers. He expressed his appreciation to the developers, Bob Goicoechea and City Manager Glenn Trust.

5. **Councilperson Lincoln Litchfield moved for approval of the Amended and Reinstated Development Agreement between the City of Carlin and Carlin Nevada Development, LLC pertaining to Parcels C-2, C-4, C-5, C-6, C-7, C-8, Remainder of C-9 and C-10 as shown on that certain Parcel Map for the City of Carlin, Nevada, filed on June 15, 2007, in the office of the Elko County Recorder, Elko, Nevada, as file number 575355, and all related matters. Councilperson Lee Griswold seconded the motion. The motion carried.**

VI. Comments by the General Public: Pursuant to NRS 241.020(2C) this time is devoted to comments by the general public and discussion to those comments. No action may be taken upon a matter raised under this item until the matter has been included on a successive agenda and identified as an action item. (Non-Action Item)

1. Vice Mayor Donnetta Skinner expressed her appreciation.
2. Byron Georgiou presented a check dated July 21, 2010 to the City of Carlin in the amount of \$100,000.00. "We are committed to this process and will do everything we can to make you proud of what we are doing".

**VII. Adjournment. (Action Item)
The meeting was adjourned at 8:46 p.m.**

APPROVED:

CLIFF EKLUND, MAYOR

ATTEST:

LADAWN LAWSON, CITY CLERK