

**ROUND MOUNTAIN TOWN BOARD
SPECIAL MEETING
DONALD L. SIMPSON COMMUNITY CENTER
650 CIVIC DRIVE, HADLEY SUBDIVISION
ROUND MOUNTAIN, NEVADA
rmtownadmin@gmail.com
TUESDAY, MARCH 15, 2016 – 4:30 P.M.**

MINUTES



Members Present: Greg Schoen, Chair
James Swigart, Vice Chair
Lisa Davila, Clerk
Wesley Hubred, Member
Roger Morones, Member

Also Present: Pearl Olmedo, Interim Town Manager
Tini Mittelstadt, Administrative Aide

Citizens Present: Pearlene Nockideneh
Mitch Mittelstadt
Lily Lopez
Sergio Olmedo

CALL MEETING TO ORDER

ACTION: Schoen called the meeting to order at approximately 4:30 p.m.

PLEDGE OF ALLEGIANCE

The pledge was recited.

GENERAL PUBLIC COMMENT (first)

There was none.

APPROVAL OF MARCH 15, 2016 AGENDA

Olmedo requested to remove item #4.

ACTION: Morones motioned approve agenda as amended. Swigart seconded the motion; motion passed 5-0.

READING, CORRECTION, AND APPROVAL OF THE JANUARY 12, 2016 AND, JANUARY 26, 2016 MEETING MINUTES

There was none to present.

CORRESPONDENCE, AWARDS, AND ANNOUNCEMENTS

1. Thank You card from Randy & Sheila Burggraff from 2/9/16.
2. Letter to Aspen Developers Corp. Re: Determination on Protest, dtd. 3/14/16.

3. Letter from Fish Lake Valley Volunteer Fire Department Re: SCBA Masks, dtd. 3/1/16.
4. Notice from Nye County Clerk's Office Notice: Election Workers Needed Round Mountain/Smoky Valley Area.

Olmedo reviewed the correspondence noting the thank you card from Randy and Sheila Burggraff on February 9, 2016, they were thanking you for the potted plants and flowers sent for Mr. Burggraff's father's funeral services. And there's a letter that is a follow up to Aspen Developers informing them on the termination of the protest that they submitted, mailed by certified mail March 14, 2016. We have a thank you note from Fish Lake Valley Volunteer Fire Department, thanking Mr. Sweeney for the donation of the SCBA masks. A notice from the Clerk's Office, they are asking for election workers for the June 14, 2016 Primary Election and the November 3, 2016 General Election – feel free to pass the word along and Sam Merlino's contact information is attached to the flyer. We will also post these at the Library, the Town Hall, Community Center and the Post Office and see to it that it is in the Valley View. Olmedo also informed of the annual Easter Egg Hunt, sponsored by the Recreation Department. This year it is on Saturday, March 26, 2016, feel free to attend. We start off at 9 a.m. at the Hadley Park, and it follows to the high school grassy area, then to the gazebo by the library, and then to the softball and little league fields. There are flyers around town and it has been posted on the Town site. If anyone has questions they can call recreation.

PERSONNEL ACTIONS A. DISCUSSION, DELIBERATION, AND POSSIBLE DECISION ON A COMPENSATION PACKAGE FOR THE POSITION OF TOWN MANAGER

Schoen noted in the packet is a draft agreement that was revised after last Tuesday's Board meeting. Has everyone had a chance to look at it? He's reviewed, in his view it reflects comments and discussions from the last Board meeting.

Olmedo noted it incorporates the changes the Board requested.

Schoen noted as he read through it, the only blank he sees is to insert the salary of the position. If memory serves him, he didn't have the salary schedule in front of me, but he thought they discussed a number.

Davila questioned we are discussing another raise on top of the 10% we gave her for the interim position?

Swigart stated that has nothing to do with it, this is the salary.

Davila responded that's she was saying, you're asking for more than 10% we've already given to you?

Schoen to Olmedo what's your interim salary now.

Olmedo responded \$28.41.

Schoen asked that's the hourly, right?

Olmedo responded yes.

Swigart stated this was the number.

Schoen asked for a calculator.

Davila asked so what is the current rate we are paying you?

Schoen noted it is \$28.41 an hour, if you multiply that by 2080 you will get the annual salary.

Swigart noted it was right under this number.

Schoen stated the number we earmarked was an annual salary of \$70,907.20

Hubred calculated the current annual salary at \$59,092.80.

Schoen stated that is the current, so it's close to \$60,000 and what we talked about at the last meeting, was the midpoint of grade 29.

Swigart stated yes.

Schoen noted that is the one he remembered.

Swigart noted that is the one he had circled.

Schoen asked is there any thoughts or discussions on that salary number?

Davila stated she didn't know anybody else's feeling on it, but she would like to stay where we currently are at, in terms of an annual salary. She thinks it leaves them open for discussion later if we decide. You know if you are offered the position and a year comes by that we have something you know that we can work with. What you've brought to the table at that point. That is just her opinion.

Schoen stated as he sees it, A is to set the salary for the Town Manager Agenda Item 6-B then is the decision to promote Pearl to the Town Manager, so in his view we are actually setting the salary for that job position and going forward, and setting that salary really has nothing to do with Pearl. It has to do with the salary for the Town Manager position.

Davila stated well then, definitely she felt comfortable leaving where it's at.

Swigart stated he didn't agree to that, for the job description that goes with that it should be maybe even higher, but in this case, going from that number and going up to that next range, the mid-point range is right at \$70,000 dollars. Now that right there for this community. If you were going to go, for comparison, what is the most available job in this community? Probably driving a haul truck, right. This number would be much higher than that, if you were going to drive a haul truck and you wouldn't have the responsibility of supervising. How many employees?

Olmedo noted fully staffed seven full time employees.

Swigart added, and you have to deal with the budget of what?

Olmedo responded you've got to deal with the budget, and you have to work with everyday workings of the Town.

Swigart stated right, what is the full year budget?

Schoen asked what is a year's budget total revenues?

Swigart stated right under three million dollars?

Olmedo agreed yes, right under three million dollars.

Swigart stated so, in his opinion, that number is here now. Is that number negotiable? Sure everything, you look at Dan Sweeney's was negotiated over 23 years, right.

Davila stated exactly.

Swigart stated this is a good starting foundation, and then, as with any job you should be evaluated after a probationary period and then on an annual basis. Those were his thoughts.

Schoen noted his thoughts were the \$70,970 is pretty well in range. He thought what this job requires, the people it supervises, and the size of the budget and responsibility that goes with it. He thinks Swigart's point is well taken. You can go drive a haul truck at the mine for 50 or 60 thousand bucks and all you have to do is show up and work your shifts.

Swigart noted it is probably more than that, Sergio what...

Sergio Olmedo responded haul truck probably makes, not counting bonus, \$75,000 or \$80,000.

Schoen asked Morones and Hubred, any thoughts?

Morones responded after last meeting, thinking about it, and drawing off his own experience and being new, trying to work things out. He didn't have a job description for town manager. He does know the responsibilities and what you have to do. Given what he has done in the past, as far as a manager's concerned over a business, this is more than a Town position, it is a business position. So his thought process giving a salary for a manager for any position for a manager of any position, managing people with a budget of that standard. He didn't find it that far off. Seventy thousand in his range is ok. The hard part about it, is to equate it, and again the only reference has is Mr. Sweeney and not knowing what Sweeney's salary was and he knew Sweeney had both fire chief and town manager. He didn't know if this was on pace, and he is going off numbers that he's heard. If this on pace for town manager of what he made, that means Sweeney was making way less than that for Fire Chief. Is that correct? What was Sweeney's total?

Swigart noted 31.05, we've talked about.

Olmedo noted it was talked about it, before he left...

Morones asked does that mean, if we needed a new fire chief, it would be in the 30 thousand dollar a year range?

Olmedo responded correct.

Schoen noted 30 or 35.

Morones stated ok, given ok again, he can only go off his experience and doesn't know the history of the town manager position and exactly what their outline; at first it seemed a little high. That was his range, but looking at what it was, he is ok with the 70 thousand, probably a little closer to 70 than 71, but that is splitting hairs.

Schoen asked Hubred, any thoughts?

Hubred responded well, when we did the math right here, from what she is making now to the bump up, it is 11 thousand dollars a year raise on being a supervisor, town manager. Again, just going off experience and stuff that he knows, yes we are in a small town and we are fortunate enough to work at a Mine that pays well. If you go to other towns and you look at what they pay their town managers, he thought the 70 thousand dollars to start off, in his opinion is a little high.

Olmedo stated if she may object. She and Sweeney did a study on that and if we were to go state wide with town managers and what they make, they make over a 100k per year, upwards to 200k depending on what county they are situated in. So we are starting off at a salary grade at a much, much lower end.

Davila stated but isn't that also based on their experience and what they come to the Town with?

Olmedo responded no ma'am, it is based on their negotiating, so in a sense it negotiated, yes and also what they have to bring to the table, but their job description is solely Town management. Where this one is so unique, such as is Tonopah's, they wear different hats to cover what, where other government entities have – a human resource

department to take care of human resource. They have a budget analyst to take care of budget. They have a chief financial officer to write off all of your audits and statements on all your monies coming in and out. There are other things that everyone forgets in unique positions, like us, Tonopah, even Virginia City, the town management are wearing multiple hats. They don't have the luxury like Round Mountain Gold having their human resources department, their finance department, their safety department, their grant writing department. Just to let you know we did a history or a salary check around the state and minimum is 100k.

Swigart noted when they first talked about this and where Sweeney was in the scale, he was at the very top. He was here for 23 years.

Davila responded she had a question, if you were to be offered the position, would you be looking for someone to fill your position?

Olmedo responded yes, because we are operating understaffed. We don't have an Administrative Supervisor right now. She was wearing those multiple hats, until recently; she was filling the position of Administrative Aide. If you remember correctly, in the past, they all asked her, if she took on the position to maintain some off those financial things.

Swigart stated yes, and we appreciate that, and in his experience in management that between different levels, you go into, especially when you go to salary position you have that span built in because it's a 24-hour a day job. It is a job that you can be called at any time, you're not just putting in 8 hours and going home. It's a job that you put in, he didn't know what Pearl averaged, he's sure it's never 40-hour a week.

Olmedo responded it is defiantly more than 40-hours a week. The previous manager logged at least 10 hours a day, 5 days a week that she was aware of, sometimes on weekends that went unnoted.

Swigart stated right, Town Board Meetings, Fire Meetings it's out of the 9 to 5 schedule.

Schoen noted something that we want to have in place is a contract that is attractive; in case Pearl, a year from now or whenever she decides to move on to something else that we have a contract that would be fairly attractive to whomever, if you were interested Morones or you, to Davila. There would be a contract in place that would be attractive for someone to come here with some qualifications.

Davila stated well that is the kind of perspective she's looking at it from, is this contract, Pearl decides to leave or we at some point, that we – that we're not happy with her employment, that we have something to work with on the next person that is coming in, so she thinks that they need to, having said, it has nothing to do with you, it's just is this something that we would be able to offer anybody that come in to work for this job? So, that is how she is looking at this contract.

Schoen noted he is at a point from last week's discussions and especially this evening, he will make a motion, then as far as the Paragraph 5 Compensation of the Employment Agreement that the agreed upon salary rate to be inserted in the amount of \$70,907.20.

Morones stated \$70,907.20 which is the midpoint range for town manager. And to Schoen, before you make a motion or finish and start deciding he wants to clarify, and this is off what Davila brought up. This moving forward is a contract for any town manager, and for any town manager, this is their starting salary. We are voting strictly on contract at this point, and this will be the starting salary moving forward, is that correct?

Schoen replied it can be it doesn't have to be. This is only binding upon the person we offer it to and enter into the contract with.

Morones stated so to separate where we are going and where we think we are going; we have to address these agenda items as individuals.

Schoen stated correct.

Morones went on to say, not as how we perceive what is going to happen after the fact. So just looking at it from a different angle. 6-A is nothing more than a contract. We have to move 6-B from this at this time.

Schoen stated that's correct.

Morones stated so moving forward, regardless of who the town manager is, we are voting for a contract as to what the next town manager will be making, correct? Just to clarify that.

Davila stated that is correct.

Morones replied we are doing just one of two, just need to clarify how we are doing this.

Olmedo stated let me do some clarifying from a personnel perspective, A and B unfortunately go hand in hand together. A comes before B because reverting back to policy, we cannot offer a job without a contract or salary range in place. Should B, be decided yes or no, A is pretty much void. So if you were having the desire to go out to hire, then we would bring back to the table a salary range. So this is the reason why we have it scheduled as A and B.

Schoen noted we have to stipulate the contract first, before we can offer a job today.

Davila stated that's what she is saying.

Schoen stated that doesn't mean that 3 weeks from now, let's say Pearl resigns, and we go out on a job search, and we get candidates that are only willing to work here for \$110,000. You have to be able to negotiate a new contract with them, at that time if you want to select somebody different. This can't be binding upon the Town for now and forever.

Swigart stated there is nothing that he's seen here from my short time on the Town Board and what he has seen in the past, there is nothing that is set in stone, everything is negotiated and amended by the Town Board.

Morones noted he just wanted to make sure he knew what they were voting for.

Schoen stated obviously A and B are tied together, but you have to have A before you have B, you have a contract before, like Pearl said, before you can offer to employment to somebody, you have to be able to offer them an employment package and the package is A and that is the contract.

Davila stated she didn't think that's what, if she's understanding you right Morones, and please chime in, she didn't think that's what Morones is asking. She thinks what he's just trying to determine will this – hypothetically, if Pearl decides to leave or we don't like her job and somebody else comes in, is this to be the standard, like if someone wanted to know how much Sweeney was making, it is open record. They could say "well you start Pearl out at blah blah blah you know this could be, she thinks that is what Morones is asking.

Swigart stated this is something that not only our legal people have reviewed it, it is something that the precedence was used from Dan Sweeney's old contract, if you want to call it a base line, if you want to call it a starting point, if you want to call it a contract of where we are right now.

Morones stated you made a good work precedence, so this in his mind moving forward, will always be renegotiated for any town manager, so that's the precedence we are setting.

Swigart stated that is in the best interest for the Town, is for the Town Board to make those decisions.

Morones stated thank you.

Schoen noted if he is not mistaken, there is a motion on the table.

Olmedo stated is there a second.

Davila asked is that just for this particular line item in this contract?

Schoen replied that is correct, particular to that one-line item.

Davila stated ok.

ACTION: Schoen motioned to accept. Morones seconded the motion; motion passed 5-0.

Schoen noted all in favor, all opposed hearing none, under Paragraph 5 compensation and salary rate, that is to be established at \$70,907.20. And as he read through it, didn't see any other places where we had to amend or fill in blanks in the contract.

Davila noted her concern is the housing portion of it. She understands that you are asking \$1,000 and now you have reduced it to \$500. Is that something that you're still looking at is that you want \$500 a month for housing?

Olmedo stated correct.

Morones stated before you do that, she's not asking, it is part of the compensation package, remember we agreed on this.

Swigart noted Pearl isn't even involved yet.

Morones stated the five hundred is per the agreement.

Olmedo stated she had some confusion, so has the compensation package – for our notes for the minutes – has this been passed in its entirety or not.

Davila stated no.

Schoen stated the direct salary has been motioned seconded and passed in the amount of \$70,907.20.

Olmedo noted ok just the direct salary.

Morones stated just that part.

Swigart noted we are just talking about the contract now right?

Davila stated yes, we are with you. So in terms of the contract she didn't think that should be in there, the housing subsidy for a contract, she didn't think it needs to. It should be something that we could possibly be used for negotiations later for a new contract or something of that, she didn't think that at this point in time, at this new in the game that this needs to be in there.

Swigart asked Davila so, if you were going to bring someone from the outside would it make a difference?

Davila replied well.

Swigart asked would you want that in the contract?

Davila replied she didn't want that in the contract, that is what she is saying, if we bring somebody from the outside, we have to talk, let's just say that person doesn't have a home here. Then maybe \$500 wouldn't be sufficient for that person, so she thinks it needs to be removed from the contract, so for negotiations at a later date.

Schoen state there is nothing to preclude the Board at some future date negotiations with a future town manager to present a clean draft of the contract with those blanks not filled in.

Davila stated true.

Schoen noted so whether it is in this one or not, in his mind has nothing to do with the contract in the future. Because you could easily strike it out, remove it from the draft.

Davila stated once again, just having it there in terms of being reflective, if somebody was to come in with anything, she just thinks that it would be in our best interest as a Town, not to have it in the contract. And use it for negotiations at the time that we decide on whoever we need to hire. That's is just her opinion.

Swigart stated he thought for an hourly position, she is probably right. When you are hiring into a salary exempt position, that the housing allowance is something that is done throughout the – it's done by one of the biggest employers here at the Mine.

Morones noted personal experience, he hired on as a IT Tech, a year later was made salary supervisor, up until then he had no allowance. The housing allowance did not come in until you hit a specific tier. He didn't think he had a problem with a housing allowance in a contract at this level.

Schoen stated his employment contract with the folks up the hill includes housing.

Morones stated at a level.

Davila asked at a certain level?

Morones replied once you get to a supervisor level or above, which is a salary not an hourly paid position. That is when they threw in a housing allowance or company provided housing. Which play hand in hand.

Davila asked and how much is that?

Morones replied it really depended on the place, for me it's close to five hundred a month. That stands about right, we would be pay way less and he thought it equated close to that.

Davila replied thank you for your input.

Schoen noted his house is essentially rent free, when you are at the manager level, you get four hundred dollars a month utility allowance on top of the allowance.

Morones stated that is correct.

Davila replied thank you.

Swigart noted the rest of the things we went over several times.

Schoen asked any other discussion. Well, after reading over the rest of the employment agreement and having inserted the amount on the salary rate, and having no further comment or discussion at least from his prospective, so he'll make the motion.

ACTION: Schoen a motion to accept the employment agreement as written with the compensation in paragraph 5 agreed to, inserted into the agreement. Swigart seconded the motion; motion passed 5-0.

Schoen noted hearing no opposition the employment is adopted as amended. And moving onto agenda item 6B.

PERSONNEL ACTIONS B. DISCUSSION AND POSSIBLE DECISION TO PROMOTE PEARL OLMEDO TO TOWN MANAGER

Schoen stated his first question is to Olmedo - Pearl are you happy with the employment agreement the way that it's now been adopted?

Olmedo stated yes.

Swigart added his next question is, is this something that you are still interested in?

Olmedo stated yes I am.

Schoen asked if there were any other questions for Pearl or maybe she has questions for us, either way.

Swigart stated what it comes down to, and he has been in management for over 35 years. Whenever you promote, you want to go with the most qualified. Take everything out of it, take personalities out of it, take emotions out of it, if you go with the most qualified individual then you can never go wrong. In his opinion, there is only one qualified, highly by the old Town Manager, he thinks placing Pearl into the interim position, shows, and we are in a position right now with the budget and this big 1.2-million-dollar sewer project that nobody knows more about those things than Pearl. So in his opinion he feels she is definitely the most qualified.

Schoen stated he agreed.

Hubred stated he agreed with that as well. He was contacted by the previous town manager and he really spoke highly of Pearl and told him, he would not recommend her as being the town manager if he didn't feel she was qualified.

Schoen asked any other question for us, as a Board? Not to put you on the spot, but do you have anything that comes to mind.

Olmedo noted she did have a couple things, in the past 5 months being the interim, what are her boundaries as far as... with Sweeney here 23 years and some odd years, he had a way of taking care of things and then coming to a Board Meeting to report, she wanted to know what things she can say yes or no to on her own and felt like the past 5 months they've have been in limbo, she has been in limbo, the staff has been in limbo, who has the authority? How much control does the Board want, she felt that they should be gearing towards more of - "they have the department in place to make those calls." We have the Town management position that should essentially be able to make those calls without having to say "hey, you have to go to a Board Meeting to get an answer", yes or no. The example being: the track team wanting to do a car wash here in the parking lot, her first thought was we need to take it to the Board and then her second thought was, wait a second, they are not asking to use a building itself, they are just wanting use the parking lot, maintenance wise they are not in the way, they are not using anything, except water and that is something we pay for anyway when someone is in here, in the office alone or someone renting the facility. So those are some of the things she found, what do we do, what direction do we take.

Schoen stated that is a straight forward one, anytime that an outside group wants to use a Town Facility, there is always questions of liability, he would think, he didn't know that the Town Board has ever said no to anything, but it is an effective way to communicate who's coming to the Town and what facility they want to use and it may be as simple as the car wash in the parking lot. Every one of those things has a liability implication on the Town. He didn't really see it as a Town Board wanting to take control of those things, but it is more of a communication tool so that we know what is going on.

Morones stated Schoen on that note, would it make any and to Pearl's thought, that coming to the Board and asking permission or telling the track team, yes you can and then at the next meeting conveying to the Board that she made that decision. If he is not mistaken that's where her thought, can she have just said yes and effectively communicated to the Board at the next meeting? Instead of waiting the next 2 weeks for an answer to hear from the Board.

Olmedo noted Morones approached the Town with the dance coming up, he notified us well in advance. There are times when they are not asking for free usage per se, just the usage.

Schoen noted he thinks the town manager job description and duties, although it won't get to everything, some of this is going to be trial and error. He started the job 9 1/2 years ago at the mine, he wasn't exactly sure what his job and responsibilities were, but he just went out and did it and if he took a step too far, he would hear about it and if he didn't, it was all good. In his mind, if you keep the best interest of the Town in mind, drawing on what you watched Sweeney do and not do, that to him is a guide. Is it a 100% iron clad, probably not.

Swigart noted there's policies and procedures you have to follow in that position. There's a fairly young Board here; we have two brand new members. August is when he started. Davila has been on the Board a little over a year, there is not a lot of experience here, so we are going to work through a lot of these things, hopefully together. We have the opportunity to work with a town manager and this community to make things better. Look at what was done in this community in the over the last 23 years. This building wasn't here. Look around, it wasn't here 23 years ago. Those Boards worked together, talking to a lot of people over the years they enjoyed it, they had a lot of fun, they made things, they built things, they provided services for the community. That is what he would like to see with us, working together to make this community better.

Davila stated she thinks having said that, and to add to that Pearl, there's a lot that Sweeney did for this community that was extraordinary, and he offered a lot, he also did things that both you and me know, that there should have been more communication. One of those things, we have a responsibility for the finances of this Town. And the community in general; we, the 5 of us, have to be involved in that. You know the last person prior to you, there was, and she will refer to it as an open wound, about how much time was being over spent on her on her salary, and how much this Town paid out to her, above and beyond that, because of the time that she worked over her 40 hours. Me and you cut that in half, those are the kinds of things that we need to entrust, because there has been so much, "oh, just let Sweeney do it" and as a Board she didn't think they've past boards, Greg, you have to admit, that we invested so much in Sweeney and just thought that he was doing the right thing that we were almost negligent, by not paying enough attention to the things that we are required here to do. So, those are the types of things she would like to see, is that there is more communication, that you are being attentive to those things, that you are looking at those king of things, if people are doing different stuff, if we are considering every member of this community, is it the right thing for this community. Take what Sweeney has taught you plus what you have taught yourself which has been a whole lot, but kind of find that happy medium.

Schoen noted he thought starting out, if you error on the side of being conservative and anything that you think we should know about, come to us with that and as time goes on between the existing Board and when he goes off the Board and as people have been on the Board longer, they will develop this kind of relationship, and they will know those kind of things, yeah, those kind of things just go take care of them. Like the regular Town Business, the departments, and how many hours the guys work, that's the Town Managers job to manage, that's not the Board to manage that stuff, but to start out, the more communication the better. Then you will find something and say yeah, just go take care of that and it will be good. He would rather it start that way than the other way with no communication.

Davila noted that's a good point Greg, having said that, personally as a Board Member what she would like to see, because it has been long, don't know if you guys were able to, but we attended a POOL PACT meeting where it was emphasized about our policy and procedure matter, that as a Board we should be looking at that and reviewing that, every meeting there should be something on that. She would like to see that completed, she knows it was supposed to be done in December, there has been a lot of things that has come up and it can't be, but she would like to see that completed as soon as possible, she thinks it is important, it is a working document and we are operating on one that is how old?

Olmedo stated '99.

Davila stated it is important, it should be done.

Schoen stated I will make a motion at this time to promote Pearl Olmedo to the position of Round Mountain Town Manager from the position of interim Town Manager.

ACTION: Schoen made a motion at this time to promote Pearl Olmedo to the position of Round Mountain Town Manager from the position of interim Town Manager. Morones seconded the motion; motion passed 5-0.

Olmedo questioned effective today?

Schoen stated right.

GENERAL PUBLIC COMMENT (second)

There was none.

ADJOURN MEETING

Meeting adjourned at approximately 5:00 p.m.