

**MINUTES OF WELLS CITY COUNCIL
MEETING OF JANUARY 24, 2017**

CALL TO ORDER

Date: Tuesday, January 24, 2017
Time: 7:00 P.M.
Place: Council Chambers, Wells City Hall
525 Sixth Street Wells, Nevada
Type of Meeting: Regular Meeting of City of Wells Board of Councilmen
Presiding Officer: Layla M. Walz, Mayor

ROLL CALL

Present: Layla M. Walz, Mayor
Cindy Fuller, Vice-Mayor
Laura Moore-DelRio, Councilwoman
Tamrah Jackson, Councilwoman
Yvonne Stuart, Councilwoman

Absent: None

Quorum: Yes

Staff Present: Heather Iveson, Utility Clerk
Sherry Justus, Deputy Clerk
Jason Pengelly, Public Works Director
Jolene M. Supp, City Manager/Clerk
Patti J. Zander, Deputy Clerk

PLEDGE OF ALLEGIANCE

Councilwoman Jackson led the Pledge of Allegiance.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS

Stuart made a motion to approve meeting minutes of January 10, 2017. Fuller seconded the motion and the motion passed unanimously.

CITIZENS TO ADDRESS THE COUNCIL

There were none.

DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE MAYOR TO SIGN COMMENT LETTER FOR THE PROPOSED SAGEBRUSH FOCAL AREA WITHDRAWAL ENVIRONMENTAL IMPACT STATEMENT THAT THE BUREAU OF LAND MANAGEMENT HAS RELEASED

Walz stated the City had previously received a letter from the BLM regarding this proposal. Walz encouraged staff to write a letter opposing this. Walz feels this is detrimental to economic development and mining in our area and is strongly opposed to it. Fuller agreed and felt if this was done, there would be no one that would come to the area and was in favor of the letter, as was Stuart. Fuller made a motion to authorize the Mayor to sign the letter for the Sagebrush Focal Area. Stuart seconded the motion and the motion passed unanimously. Walz added there will be a public hearing in Elko at the convention center on February 23, 2017 from 5 p.m. to 7 p.m. Walz will be attending and encouraged others to attend.

DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE CITY STAFF TO LIEN PROPERTY AND/OR TO WRITE OFF UTILITY BALANCE FOR DELINQUENT UTILITY ACCOUNTS FROM THE CITY'S UTILITY AGING REPORT

Supp stated that Iveson has put together a spreadsheet, researched some of the accounts and has collected a couple of them. Supp has made a few phone calls on some of these and has had a couple of special requests. John Breeler has passed away. Keller/Williams is the real estate agent for his property and has asked if the City would consider waiving the late fees of \$99.14 and they would pay the balance electronically. Chaponis, Marr and Quenemoen are all deceased and some of these properties have not gone through probate. Wells Fargo is the lien holder on the Marr property and has not started foreclosure proceedings. Supp will work with legal counsel on these properties if the Board is in agreement. There are no heirs on the Chaponis property so there is no probate and the City may want to remove the meter. The Carone, Lone Star and James Stanton properties are properties that could be liened. Carone and Stanton both stated a payment would be made by the first of February.

Supp continued that no one is required to come before the City when property is sold and it is not a good situation when a new owner comes to get utilities turned on and find out there is an outstanding bill that needs to be paid before getting services turned on. When a property has a lien on it, a new owner will have that information from the beginning. The Wells City Code states the water bill goes with the property.

There are three delinquent Old West accounts. Supp spoke with Chrissy Jansson the current owner. Jansson said a legal foreclosure was done on this property to avoid this issue. Supp explained that the utilities go with the property. Supp contacted legal counsel and asked which held more weight, the Wells City Code or a foreclosure through Stewart Title. Supp was told the Wells City Code overrides any other transaction. Jansson was the lien holder at the time and is the current property owner and should be responsible for those bills.

Supp is recommending the accounts for Matthew Stanton and Linda Wiley for the laundromat be written off. The properties have changed hands and have new owners. When services were hooked up for the new owners, the outstanding balances on these accounts were not collected. The other Mike and Linda Wiley account is the residence that is for sale. Supp recommends a lien be placed on this property.

The Old West accounts are for Cliff Martine in Las Vegas. Stuart asked if the City should be going after Martine instead of Jansson. Supp said that could be done but the City does not have as much of a legal right to go after Martine as the City does to go after the property owner. DelRio thought it made more sense to go after Martine because the bills are his and Supp said it can be done but because Martine lives in a different county, it makes it more difficult. Stuart thinks to put a lien on property is pretty harsh. Supp feels the rest of the rate payers will end up having to pay for these accounts that have not been paid and doesn't think that is fair. Walz

would rather know when buying a property that there is a past due water bill and not be surprised when coming in to get services turned on and finding out then.

Walz stated there is a significant amount on the Old West bills that are from penalties. Fuller added that exceptions have been made for leaks and in some of these cases, maybe exceptions can be made for late fees. Fuller also feels for those properties that are up for sale, a lien should be placed on the property. Stuart thought maybe the customer be given a onetime option to pay the bill by a certain date and the late fees would be waived. If the bill is not paid by that date, the total amount will be due and late fees will continue to be accrued. Supp asked if the Board approved everyone be given until February 28, 2017 to pay the bill, minus the penalties. After that date, all penalties would be reinstated and a lien be placed.

Supp asked if the Board was willing to write off the Matthew Stanton and Linda Wiley portion of the laundromat account. Fuller was not opposed to writing off those two accounts. Walz asked about the Chaponis account. Supp stated if it is written off, the meter should be pulled and if anyone wanted to buy the property, the full connect price of \$6,000 would have to be paid. Walz thought it may be better to lien the property because if the single wide home was to be removed, the lien would still be on the property.

Walz stated the Old West is a difficult situation and can see both sides. Walz continued that it is not any different than if there was a landlord because the landlord would be responsible for the account if the tenant didn't pay the bill. Supp can have Lauren Landa at Goicoechea start collection proceedings on the Old West and also notice Jansson of the intentions and that she will still be responsible if the City cannot collect on this account. Walz thought Jansson would have more legal recourse against Martine than the City and may possibly be willing to pay the reduced fee before the end of February and then go after Martine herself.

The bill for Chaponis is coming back to the City but the City should still be able to publicly lien the property. The Quenemoen bill is also coming back and Landa has already researched that and there is a Medicaid lien on that property. The order was for Andrew Puccinelli to sell the property and pay off Medicaid. Puccinelli is also deceased and this property may have to go back to probate court to establish a new trustee. Supp continued that there is an adjacent property owner that has cared for this property and would like to acquire this property.

Jason Pengelly stated these won't be the last of the past due bills and wanted to know what the time frame would be for future ones. Supp thought these should be reviewed annually. Supp added there is no allowance booked for bad debt. Supp thinks a letter going out to property owners that the City is going to lien property will get some payments on these accounts. Pengelly said this is money out of the water budget and \$7,500 would pay for a lot of infrastructure. Stuart made a motion to write off the Matthew Stanton and Linda Wiley laundromat account and lien the rest of the properties with past due accounts with an option to pay in full, with no penalties, by February 28, 2017. Fuller seconded the motion and the motion passed unanimously.

DISCUSSION AND ACTION TO APPROVE APPOINTMENTS FOR THE CLAIMS COMMITTEE MEMBERS FOR THE UPCOMING FISCAL YEAR THROUGH THE NEXT ELECTION

Supp explained this is for the reviewing of the bills being paid by City staff before the City Council Meetings. Supp continued there is an appointed person and an alternate and everyone serves six months. Walz finds this beneficial when going through the budget process and it gives everyone an idea of who and what the City pays. Fuller added it opens your eyes to where money is being spent. Stuart made a motion to accept the proposed claims committee appointments. Jackson seconded the motion and the motion passed unanimously.

DOUGLAS GADD TO ADDRESS THE BOARD OF COUNCIL REGARDING HIS RESIGNATION FROM THE CITY OF WELLS PLANNING COMMISSION APPOINTMENT AND HIS DIFFERENCE IN VISION AND PRIORITIES

Walz stated apparently Gadd was not able to be at the meeting but a letter had been received stating Gadd would like to resign from the Planning Commission effective January 24, 2017 because of a conflict of interest. Walz stated it was her understanding Gadd was opposed to the annexation of property but neither Walz nor Supp had spoken with him. Fuller stated with Gadd's resignation, Jackson and DelRio being on City Council now, there was no quorum for the Planning Commission. Stuart made a motion to accept Gadd's letter of resignation. DelRio seconded the motion and the motion passed unanimously. Walz reviewed some of the qualifications to be on the Planning Commission. Supp will clarify the qualifications because of people who are interested in serving but related to Council members.

CONTINUED DISCUSSION OF CITY ANNEXATION PROVIDING A LIST OF AFFECTED PROPERTY OWNERS AND FURTHER DISCUSSION OF POLICIES RELATING TO EXISTING WATER WELLS, SEPTIC TANKS AND FUTURE ZONING FOR PROPERTIES TO BE POTENTIALLY ANNEXED INTO THE CITY OF WELLS AND MATTERS THEREOF

Walz has discussed this with a couple of people on the list, which has fewer people than Walz thought there would be. Walz thinks it is a deal breaker for the City to require the residents to hook up to city water and sewer when they have existing wells and septic tanks. One property owner would prefer to be on city water because of issues with his well; another one was talking about a subdivision and would like to have city water for the subdivision. One wanted to put an additional house on their property and the County told them they could not do that.

Supp stated there are five names not on the list that Supp found this afternoon that need to be added. Those names were Tabor and Catherine Dahl, Paul and Pam Reimers, Santos Casas, Steve Sauers and Jerry and Mary Martindale. Walz stated it is possible to grandfather existing wells and septic tanks but does not think new wells or septic tanks should be allowed. Jackson added that if something goes wrong with the existing well or septic and a new one is needed, that should not be allowed and the property owner should be required to hook up to City utilities.

DelRio wanted to discuss irrigating for those who use their wells for that purpose. Supp stated that irrigating needed to be defined as there is only one pivot in that area and it is outside the City limits. Irrigating could be defined as watering lawn or animals. DelRio thinks it can be frustrating if someone owns a large parcel and have to pay the City prices for water versus the one-time fee to drill a well. DelRio can attest to how costly watering a lot of property with City water can be. Walz added that pumping costs would also be included and may not be cheap. DelRio added that the numbers should be looked at to show which would be better. Jackson had a well when living in Fallon and utility bills were very small, even watering all summer and in the City the increase is seen very fast.

Pengelly stated that there are people in the City limits that have their own well that they irrigate with and were grandfathered but are still connected to City water. The wells that are already there will not hurt the City to be grandfathered and the same with septic tanks but new ones should not be allowed.

Supp stated that in the legislature, this year is going to be the water year. Municipals have been assessed for water usage for the last two years. The state is now going to start assessing all water wells. Pengelly added that

everyone that has a water well has to put in a totalizer. The State wants to take the junior water rights away and give them back to Lovelock. Supp said there will be penalties if people don't have totalizers installed. The State law says that if you are within a certain proximity of the City limits, a well cannot be drilled and must hook up to the municipal system unless the municipal system writes a will not serve letter. Supp thinks there are people with domestic wells that are irrigating with them. A water right is not required to drill a domestic well but is required for a well for irrigating. Supp stated she would draft a letter to bring to the Board for approval to be sent to these property owners.

DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION 17-04 RESOLUTION OF RELINQUISHMENT OF PORTIONS OF STATE HIGHWAY RIGHT-OF-WAY E.A: 71809 – LOCALLY KNOWN AS US 40 WEST OF HUMBOLDT AVENUE

Supp began that last fall, the State sent a resolution and map with no explanation of what any of it was. Pengelly and Supp were in the office when a NDOT employee came in and Supp asked for an explanation and was told they were cleaning up the files. Diana Callahan called Supp and asked if the Board had approved this and Supp told her no and asked Callahan who asked for this to be done. Callahan said the Board did and Supp said it must have been many years ago. Callahan did more research and found out it was a project cleanup from 1991 and affected the bridge going up to the Indian Colony. The Board of Council accepted this but NDOT did not give the approach areas at that time. These approach areas are what NDOT would like to relinquish to the City. Walz stated the City is required to maintain the bridge and the road and NDOT is required to maintain the approaches because somehow they were separated in the original agreement. Pengelly added that the City brush beats and maintains the approach anyway. Stuart made a motion to approve Resolution 17-04. Fuller seconded the motion and the motion passed unanimously.

DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION 17-05 RESOLUTION COMMITTING REVENUES FROM BRICK SALES FOR DOWNTOWN REDEVELOPMENT PURPOSES

Supp began "That's My Brick" is a fundraising company. Supp had samples of bricks that are lasered with a lifetime guarantee to hold the imprint. Supp thought this could be a useful fundraising mechanism as well as provide the bricks for the downtown Heritage Park. The 4 x 8 brick would sell for \$50 and the 8 x 8 brick for \$100 with the bricks being priced on a sliding scale. This company does everything from the flyers, website, printing and shipping. A replica brick can also be ordered. Supp thought the bricks could be used around the perimeter of the walkway and gazebo. Depending on how many bricks are sold, would determine the size of the project. Supp would like to put this fundraiser on the Wells High School Alumni Facebook page. DelRio asked what the timeframe would be and Supp stated the end of April. It takes the company two weeks after receiving the order to get all the bricks done and this would put the project ready at the beginning of summer. The City reserves the right of editing for anything that may be inappropriate. DelRio asked if it may be done again a couple of years down the road for those who did not have the opportunity to participate in phase one. Supp stated phase two could be done three months later and this could be an annual project. The funds would be used for the downtown revitalization at the Boards discretion. Fuller made a motion to approve Resolution 17-05. DelRio seconded the motion and the motion passed unanimously.

CLAIMS COMMITTEE REPORT; ACTION TO APPROVE FINANCIAL STATEMENTS

Fuller made a motion to approve Warrant Register dated January 11, 2017 to January 24, 2017 in the amount of \$82,655.41. Jackson seconded the motion and the motion passed unanimously.

COUNCIL REPORTS

Jackson, Fuller and DelRio all wanted to thank the Public Works Department for their hard work on getting the roads cleaned up.

Stuart reported the “Souper Bowl” was held last Saturday and said it was a great success. The Museum raised \$4,000 and the Chamber of Commerce \$1,000. Stuart continued that there were seven different types of soup and thanked everyone who helped.

Walz reported that she has heard from several people how great Pengelly and his crew have done plowing around the golf course. Walz stated she also attended the “Souper Bowl” and it was very good. The Boys and Girls Club is having their fundraiser “Country Romance” on February 11, 2017. Tickets are available at the Boys & Girls Club as well as the Chamber Office. Walz will not be in attendance at the meeting on February 28, 2017.

STAFF REPORTS

Supp began that Candace Wines will be hosting a meeting at the fire hall tomorrow night at 6:30 p.m. regarding Article Five, Constitution Awareness regarding the federal government overstepping their constitutional authority.

NNRDA is having Michelle Reeves come out to help with the downtown revitalization and to help with funding. Pete Wallish from GoEd is also coming with Reeves and will be here March 15, 2017.

Heidi Swank from the Nevada Preservation Foundation will be here to meet with Newmont next week to talk about sponsoring the El Rancho and helping out in community development. Newmont is very interested in historic preservation.

February 4, 2017, the seniors are hosting a pancake breakfast from 8 a.m. to 10 a.m.

Supp stated that the State requires the county to have a debt management commission. The cities of Carlin, West Wendover and Wells have one seat. West Wendover would like to have new Mayor Daniel Corona sit on this Board. Dave Jones from Carlin thought Carlin should provide a representative. Supp said if there was no one in Wells interested, Carlin and Wendover can decide who wants to serve.

Supp sat in on the NNRDA teleconference on Monday. Winnemucca, Humboldt County, Eureka County and White Pine County have all joined NNRDA. This is the third largest economic development region in the nation and represents 42% of the State of Nevada in terms of square mileage. Pam Borda will be able to hire two new full time people; one will be located in Winnemucca and the other may be in the White Pine/Eureka area.

Supp has received a draft of the hydroponic study and has asked for some clarification as well as more details. If anyone would like a copy of it, contact Supp. Better City will be moving forward with this.

Pengelly reported that his crew has been busy with the snow and the wind and trying to keep equipment running. Fuller added they have done a wonderful job on the ditches on south Shoshone.

CITIZENS TO ADDRESS THE COUNCIL

There were none.

ADJOURNMENT

The meeting adjourned at 8:37 p.m.

LAYLA M. WALZ, Mayor

ATTEST:

JOLENE M. SUPP, City Manager/Clerk