

**MINUTES OF WELLS CITY COUNCIL
MEETING OF APRIL 12, 2016**

CALL TO ORDER

Date: Tuesday, April 12, 2016
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, Councilwoman
Robert D. Stanhope, Councilman
Yvonne Stuart, Councilwoman

Absent: Kenny W. Huff, Vice Mayor

Quorum: Yes

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

PLEDGE OF ALLEGIANCE

Councilman Stanhope led everyone in the Pledge of Allegiance.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS

Stanhope made a motion to approve meeting minutes of March 22, 2016. Fuller seconded the motion and the motion passed unanimously.

CITIZENS TO ADDRESS THE COUNCIL

There were none.

DISCUSSION AND POSSIBLE ACTION TO APPROVE LEAK CREDIT FOR DOUG GADD

The Council had a copy of a letter from Doug Gadd as well as a copy of Gadd's water usage history. Gadd came forward and explained how during the winter, he allows the shower to drip to prevent pipes from freezing. This last winter, the drip was more than usual and it was difficult to find the right part to fix it. Gadd was requesting a leak credit of \$79.87. Mayor Walz felt that a full credit should not be given because the water was supplied and this is a loss to the City and the citizens. Stanhope made a motion to approve a \$40 leak credit. Fuller seconded the motion and the motion passed unanimously.

SHERIFF PITTS TO GIVE MONTHLY STATISTICS REPORT ON WELLS AND MATTERS THEREOF

Sheriff Pitts came forward to give the monthly report on activities in Wells. The total activities for the month of March were 5,432. There were 125 calls for service, 45 reports, 2 misdemeanor arrests, 39 agency assists, 135 traffic stops, 61 citations, 5 animal calls. The School Resource Officer's were at the High School for 2 ½ hours. Pitts also introduced Michael Pace who will be the new deputy for Wells. Pace has been with the Sheriff's Department since December of 2013. Pace will start his 16 week training on Monday. Most of the training will be done in Elko because there are more calls and training can be completed faster but will be in Wells off and on during the training.

PRESENTATION OF AIRPORT LAYOUT PLAN BY RIEDESEL & ASSOCIATES, DISCUSSION AND POSSIBLE ACTION TO ACCEPT

Chevy Bailey from Riedesel and Associates was present to report on the Airport Master Plan. Meetings were held with the airport users and received their input on what they would like to see at the airport. Once this is approved by the Board, it will be submitted to the FAA for their input and any revisions. The priority list is the AWOS, which is a weather reporting system. Other needs are a parallel taxiway, a new apron area for the larger aircraft and runway identifier lights. In the future, an extension of the runway from 5,500 feet to 7,100 feet would be needed which would extend the taxiway. Also on the list is vehicle parking, improvement of the access road and maintenance equipment for snow removal. Bailey stated this is a twenty year plan. Once this plan is submitted to the FAA, it will let the FAA know what is needed when money becomes available.

Other improvements that have been discussed are a pilot's lounge, something like what Jackpot has. There is no GPS approach. Approach surveys may be done by the State to help to get a non-position or GPS approach which will bring in larger planes. A heliport was also discussed but contact will be made with BLM and other agencies to see if there is need for a heliport.

The AWOS system will be phase one in the next federal fiscal year. An environmental assessment, which could take up to two years, will be needed before a parallel runway can be done. The City's match on these improvements is six percent. Pengelly asked if a security fence was in the master plan around the perimeter. Bailey said there was discussion about fencing the perimeter but it was not high on the priority list of the airport users. Bailey said once this plan is approved by the Board and submitted to the FAA, it could possibly take a month before comments are received back from the FAA. Stuart made a motion to approve the airport lay out plan by Riedesel & Associates and accept it as presented. Stanhope seconded the motion and the motion passed unanimously.

DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION 16-02 INCENTIVE FOR ECONOMIC DEVELOPMENT FOR HOUSING

This was previously discussed and a resolution was presented for approval. Mayor Walz stated the resolution covers everyone and does not leave the City vulnerable. Pengelly thought it was a good idea. Supp added that when the resolution was designed, it was the desire to have a policy that could be offered to everyone; whether one house or a fifty house development. Stanhope made a motion to adopt Resolution 16-02, Incentive for Economic Development for Housing. Fuller seconded the motion and the motion passed unanimously.

UPDATE AND DISCUSSION ON BETTER CITY TELECONFERENCE FROM APRIL 6, 2016 AND MATTERS THEREOF

Agenda item number eleven will be discussed before item ten. Walz informed the Board that the City was not funded for a CDBG Grant once again this year. Walz added that work was immediately started to look for other sources of funding and one may have been found. A conference call was held with Better City and a couple of other business entities; Rick Zehner from Geothermal Development Associates and Ira Rackley from the Elko Heating District. There was discussion on the geothermal resource in the City and where to go now since there was no funding. The consulting agreement everyone had a copy of is a small step towards the future. For a fee not to exceed \$2,000, Geothermal Development Associates could do a desktop survey. Pengelly supplied chemistry for water wells, temperatures and quantity of water not only for the City wells but included the school district and other wells in the area. Zehner thought he could model that information and determine how much influence there was from one well to the other, cold and hot. The model may also predict areas that were highly likely to be feasible in heat and quantity, as well as areas that were not as feasible. Step one is approving this consulting agreement and step two is with the Elko Heating District. Better City requested a grant from the Department of Energy in the amount of \$300,000 to do a map of the area; a two meter survey using geo-thermometry, geo probing and everything known on existing wells. There is a non-disclosure agreement to get all of these records and data. This grant will work through a lot of these issues. The City will know by the end of June if the grant was received. There is a 20% in-kind match to the grant.

DISCUSSION AND POSSIBLE ACTION TO ENTER INTO CONSULTING SERVICE AGREEMENT BETWEEN GEOTHERMAL DEVELOPMENT ASSOCIATES AND THE CITY OF WELLS

Walz began that this would be the contract to do some of the initial desk work and was very reasonably priced at \$2,000. Fuller wanted to know what the benefit was to doing this. Walz said it will map the known resources and from that, identify some areas that can be drilled to find the hottest water. Stanhope made a motion to enter into the consulting service agreement between Geothermal Development Associates and the City of Wells. Stuart seconded the motion and the motion passed unanimously.

DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE MAYOR TO SIGN LETTER OF SUPPORT FOR GEOTHERMAL DEVELOPMENT IN AND AROUND THE CITY OF WELLS

Walz stated the Elko Heating District has offered to partner with the City of Wells. The DOE grant is a private entity grant, not a government grant and therefore the City of Wells is not able to apply for that grant. The Elko Heating District will be a partner with the City of Wells and will apply for the grant and do the drilling and study of Wells. Better City helped develop this grant. This letter would be a letter of support for that group with hopes of getting this grant and would support geothermal work in Wells. Stanhope made a motion to authorize the Mayor to sign a letter of support for geothermal development in and around the City of Wells. Fuller seconded the motion and the motion passed unanimously.

DISCUSSION AND POSSIBLE ACTION TO SIGN PGA MEMBER CHANGE FORM FOR STEVE DOUDY TO AFFILIATE HIS PGA STATUS WITH CHIMNEY ROCK GOLF COURSE

Supp began the PGA requires Doudy to be affiliated with a golf course. Doudy has traditionally been associated with the Wendover Golf Course but with the changes taking place in Wendover, did not get the golf professional job. Doudy would like to change his affiliation to Chimney Rock Golf Course. Doudy would lose his PGA status if he did not have an agreement with a golf course. Doudy is not asking for money and is just asking to be affiliated with Chimney Rock to keep his PGA card. Supp added that Doudy did teach lessons last year at Chimney Rock and would probably do that same this year. Walz stated maybe Doudy could work for commission on the lessons. Stuart made a motion to sign the PGA member change form for Steve Doudy to “affiliate” his PGA status with the Chimney Rock Golf Course. Stanhope seconded the motion and the motion passed unanimously.

CONTINUED DISCUSSION AND ACTION TO ADOPT FISCAL YEAR 2016-2017 TENTATIVE BUDGET

Supp began that the only change on the budget was the format and that it was on the State forms. Supp did point out on page two, the property tax amount had gone up due to new

construction. Other items pointed out by Supp were assessed valuation on page 4; page 5 talks about property tax caps; page 6 & 7 are the summaries of every fund; page 8 is the proprietary fund; pages 9 through 48 are the detail pages to the summary reports. On page 48 is the debt schedule which shows two more years to pay on the street sweeper. Page 49 is a Department of Taxation form showing where the funds are going in and out. Page 52 is new; a schedule of existing contracts. Page 53 shows the schedule of privatization contracts. The last page, because it is a legislative year, is a lobbying expense expenditure but the City doesn't spend any money on lobbying. Supp also wanted to add that the budget hearing will be the same date as the City Council meeting on May 24, 2016. The City used to have to hold a separate budget hearing but due to a legislative change, that is no longer the case.

Walz is concerned about wages being competitive especially with the job market being more competitive with the addition of the Long Canyon Mine and its support industries. Walz would like to start comparing what the City pays to other Cities with similar population. Stuart made a motion to approve the tentative budget for FY 16-17. Stanhope seconded the motion and the motion passed unanimously.

CLAIMS COMMITTEE REPORT; ACTION TO APPROVE FINANCIAL STATEMENTS

Stanhope made a motion to approve check register dated March 1, 2016 through March 31, 2016 in the amount of \$51,335.72. Stuart seconded the motion and the motion passed unanimously. Stanhope again made a motion to approve Warrant Register dated March 23, 2016 to April 12, 2016 in the amount of \$88,246.07. Stuart seconded the motion and the motion passed unanimously.

COUNCILMEN'S REPORTS

Stanhope began that work is still being done to try to clean up the City. There was a court date for those who had been cited and things are moving forward as far as what the City has requested.

Stuart stated she is going around with the form to sign on the commerce tax to get it on the ballot for November. Stuart has worked on the west end of town to get signatures and will be moving to the east end of town.

Walz attended the Nevada Rural Electric Association Legislative Conference for Wells Rural Electric. While there, there was discussion on counties being concerned about the new BLM permitting process. The BLM is trying to streamline the approval and get permits approved before they can be reviewed. Walz feels if Elko County is going to do something in regards to the permitting process, the City should support them because it will affect everyone. There was also a group talking about the commerce tax and one of the things the City may see is a tenth of a percent increase in gross income. Waste management is one of the groups that will receive that tax. Walz thought there may be an

increase in the sanitation bill and thought contact should be made with Elko Sanitation before the budget is finalized to see if there might be an increase due to the commerce tax. Walz also sat in on a conference call for the Council of Mayors with the League of Cities. A couple of bill drafts are being completed, one being the property tax cap abatement. Walz thinks this is a good thing to support and thinks it is unfair for the State to say they can be taxed a certain amount. Cities are being encouraged to adopt a resolution in support of the main street program. It is the hope that Governor Sandoval will commit some funds to have an official main street program in the State of Nevada that may offer grant money to beautify main streets. This may be passed the 3rd of May.

STAFF REPORTS

Supp began that the E911 public hearing was held and will be moving forward. E911 will cost \$.25 a month per phone line whether land line or cell phone. This will be a long term project and will take more than a year to get the revenue in for the funds to be able to purchase the upgraded equipment.

Supp met with Pam Boorda from NNRDA to discuss housing. Supp will bring back a proposal for the old Birdzell subdivision because of utilities being close and a potential plan of what could be developed if all parties can agree. Wilde Brough contacted Russ Bourne who represents Guerdon Homes. Bourne was excited that things are moving forward with the mine. A meeting was held with Brough and Supp believes townhouses or duplexes could be something that might work in the Wells market. The housing surveys are still being done online. Newmont is getting ready to go into the next phase of hiring and are hoping to have the next crew on board by the end of June.

Supp attended a NDOT meeting on the Golden Gate Petroleum and Hampton Inn. There is a clear picture on how the permit will work in keeping it affordable for the developer, safe for the travelers and meeting NDOT regulations.

The Americorp team will be here after the next city council meeting to work on the curb, gutter and sidewalk on Wells Avenue.

The Health Department has advised that the ballfield maintenance equipment needs to be kept out of the cook shack. A pest sprayer is going to be needed as well as sanitizing the cook shack so that it can be used during the upcoming baseball season.

Pengelly wanted to talk about the grindings the City has been receiving from the I-80 project. Grindings have been put on Cobre but because people are traveling too fast, it will need to be bladed and have more grindings when the City receives them in about a month. Tenth Street will be finished as will the airport road at that time. Pengelly continued that work was done Saturday on a water leak. Pengelly added he is unable to find a contractor to do the concrete work on the Wells Avenue project so he will be the one working on that project so the crew is working hard trying to get everything caught up. Pengelly advised that Tony Prado passed the sewer test he took at the Nevada Rural

Water Conference last month and will now be taking the water test in a few months and then Prado can be certified.

Heather Iveson reported that she attended building permit class in Las Vegas and is getting very involved in the process. The blue bin will be open during the month of May for free dump month. Pengelly added he is hoping to hire someone by the end of the month to have the blue bin open Wednesday through Sunday from 10 a.m. to 2 p.m. and closed Monday and Tuesday.

CITIZENS TO ADDRESS THE COUNCIL

There were none.

ADJOURNMENT

The meeting was adjourned at 8:35 p.m.

LAYLA M. WALZ, Mayor

ATTEST:

JOLENE M. SUPP, City Manager/Clerk