

**MINUTES OF WELLS CITY COUNCIL  
MEETING OF JULY 26, 2016**

**CALL TO ORDER**

Date: Tuesday, July 26, 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, arrived at 7:03 p.m.  
Robert D. Stanhope, Councilman  
Yvonne Stuart, Councilwoman

Absent: Kenny W. Huff, Vice-Mayor

Quorum: Yes

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

**PLEDGE OF ALLEGIANCE**

Mayor Walz led everyone in the Pledge of Allegiance.

**APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

Stanhope made a motion to approve meeting minutes of July 12, 2016. Stuart seconded the motion and the motion passed with Walz abstaining.

**CITIZENS TO ADDRESS THE COUNCIL**

Arial Howell and Susan Duffy from the Wells Family Resource Center were at the meeting to inform the Council of the assessment scores for the early steps learning classroom. Howell continued that the classrooms signed up for a quality assessment rating. This is a comprehensive analysis of how the classrooms are doing. Howell rotates the classrooms every year and this year it was the early steps to learning classroom which is ages two to three. Susan Duffy is the lead teacher in that classroom and scored a 5.14

out of seven which puts them above the national average for that age group. This group also took on a social/emotional teaching assessment on how well social skills are being taught including friendships and problem solving. The score on this was 97 out of 100 and gave them the top score in the State of Nevada. They were also able to move from an implementation classroom to a demonstration classroom with the social and emotional teaching and this is the first rural classroom ever to do so. Howell added the City of Wells is always supporting the Resource Center, thanked the City for the continued support and with that support, the Resource Center continues to make great strides for the children of Wells.

Howell announced that she will be leaving her position in August but will continue to help long distance for one year and Susan Duffy will be taking over the position of Program Director. Duffy stated she was very excited for the opportunity and to continue her progress with the programs. Walz added that she has had the benefit of having her children in the programs at the Resource Center and what an asset the Resource Center is for the community.

Jared Martin, new site manager for Elko Sanitation, replacing Chris Wright, came to the meeting to introduce himself. Martin wanted everyone to know that he will be available and wants to be a partner with the cities Elko Sanitation serves. Martin said to contact him with any complaints or issues that may come up.

#### **DISCUSSION AND POSSIBLE ACTION TO GRANT SPECIAL LIQUOR LICENSE FOR WELLS JR. RODEO FOR AUGUST 6-7, 2016**

Tony Villalobos, representing the Wells Jr. Rodeo, was present to answer any questions. Stuart asked if the license was for beer and wine or if it included hard liquor. Villalobos stated it was for beer only and the license was for the team roping held after the rodeo. Stuart made a motion to approve the liquor license for the Wells Jr. Rodeo. Stanhope seconded the motion and the motion passed unanimously.

#### **DISCUSSION AND POSSIBLE ACTION TO ENTER INTO HANGAR LEASE AGREEMENT WITH DREW DAHL**

Walz stated the agreement for the hangar lease is not back from the attorney's office so this item will not be discussed at this time.

#### **SECOND READING, DISCUSSION AND POSSIBLE ACTION TO ADOPT ORDINANCE 227; AN ORDINANCE AMENDING CHAPTER 7 TITLE 10 OF THE WELLS CITY CODE ENTITLED "ZONING DISTRICTS; ALLOWABLE AND SPECIAL USES" BY ADDING SECTION 10-7-7.1 ENTITLED "RESIDENTIAL OFFICE DISTRICT"**

Walz asked if there had been any public comment and Supp informed Walz that there had not been. Supp has had a couple of residents wanting to stay in the Buffer Commercial zone because if it was changed to the Office Residential, felt it would be devaluing their

property. This change would be addressed on a map issue. Supp added that this is an addition to the code but the map issue will possibly have to be changed. Supp also stated that several people had attended the initial Planning and Zoning meeting and all comments were positive. Supp stated there is a use for this along Fifth Street, it just might not be all of Fifth Street. Stuart made a motion to adopt Ordinance 227. Stanhope seconded the motion and the motion passed unanimously.

**DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION 16-5  
RESOLUTION CREATING A SEPARATE BANK ACCOUNT FOR THE XPRESS  
DEPOSIT ACCOUNT FOR THE CITY OF WELLS**

Supp began that in January, the Board approved Xpress Bill Pay. Xpress Bill Pay holds the funds in a separate account for which the City controls and moves the funds as needed. The auditors were looking at this and feel that a separate bank account has been created and a resolution is needed. Supp made this retroactive to January, the month Xpress Bill Pay was approved by the Board. Stanhope made a motion to approve Resolution 16-5. Fuller seconded the motion and the motion passed unanimously.

**DISCUSSION AND POSSIBLE ACTION TO APPROVE DEBT MANAGEMENT  
POLICY, INDEBTEDNESS REPORT AND CAPITAL IMPROVEMENT REPORT  
AND ACTION TO SUBMIT TO THE DEPARTMENT OF TAXATION**

Supp stated this is an annual requirement that local government is required to submit this report to the Department of Taxation by the first of August. The current debt is \$917,000. The street sweeper will be paid off after fiscal year 17-18. Stanhope made a motion to approve the Debt Management Policy, Indebtedness Report and Capital Improvement Report and submit to the Department of Taxation. Fuller seconded the motion and the motion passed unanimously.

**DISCUSSION AND POSSIBLE ACTION TO APPROVE PRELIMINARY  
ARCHITECT REPORT FOR CLUB HOUSE UPGRADES AND REMODEL TO  
CREATE A CLUB HOUSE WITHIN A COMMUNITY CENTER**

Walz began that this report was generated by Glen Palmer of Palmer Engineering at the request of the City and is the initial step to obtaining USDA funds, should the City decide to go this route. The action tonight would be just approving this report. Supp added that an operation plan was discussed for this facility if the City moves forward with this project. A feasibility study was done on the Ranch House that might be useful in making this project a success. If the decision is made to move forward with this project, it would take sixty to ninety days to do the design, sealed bids would be required and could be ready to start building by April 2017. This would not just be remodeling of the existing club house, there is an actual addition that would require footings and foundation. The Council needs to decide if this is the direction to go. When looking at the cost of this project compared to the cost of remodeling the Ranch House, this project is one third of the expense of using the Ranch House building. Supp stated USDA has offered the City of Wells 2% money for forty years. Supp ran the numbers and it is \$700,000 in interest

over the forty years. Supp added that the whole amount would not have to be borrowed at one time. Supp does not think the City could get grant funding for the structure but there could be grant funding for the equipment inside. There would be no in-kind labor allowed if financed.

Walz encouraged everyone to take this to the community and explain that this is not just a club house renovation, it would be the addition of a community center and see if the community feels it is something that is needed. Walz feels there is a need for a community center and the club house already serves as a community center now and a lot more could be done with the extra space. Stanhope asked if this project were approved, what would be done with the Ranch House. Supp felt this was a community decision as the past has not been kind to the Ranch House. The modular buildings are coming apart as noted by Glen Palmer two years ago. The floor in the back has failed and the Ranch House is sitting right on the lot line.

Fuller asked if a fee were charged when someone wanted to use the golf course for a private function. Supp stated if a fee is charged, it is collected by the operator. Supp added that the agreement is that if the golf course is reopened during the winter when it is normally closed, there is a fee because the water needs to be turned back on and then off and heat is needed. If a new facility is available there would be deposits for cleaning, and upkeep at market rate fees, which could be more than what the community is used to.

Stuart stated in her opinion, this is the first step if the City wants to have a community center. There are still things that need to be worked out but it would be nice to have a community center. Stanhope added that the community center idea is one of the selling points for him. If it was just for a golf course club house, he would not be inclined to approve this. Stanhope made a motion to approve the preliminary architect report for club house upgrades and remodel to create a club house within a community center. Fuller seconded the motion and the motion passed unanimously.

**DISCUSSION AND POSSIBLE ACTION TO GRANT CHAMBER OF COMMERCE AND SOCIETY FOR THE PRESERVATION OF WESTERN HERITAGE REQUEST TO FUND \$3,500.00 FOR TWELVE MONTHS TO CREATE A JOB OPPORTUNITY FOR ONE PERSON**

Stanhope asked if this was done last year and Walz stated it had been done the last couple of years. Stuart wanted to make a presentation representing the Chamber of Commerce and abstain from any decision on this item. Stuart added that some of the achievements the Chamber of Commerce has made are the brochure racks around town that are restocked twice a week in some locations. Other various brochures for Metropolis, the pool, park and golf course as well as maps of the City have been created with the help of the Nevada Division of Tourism. The staff member, Ron Hendricks, is a senior citizen and is very good at interacting with the tourists that come in as well as maintaining the Facebook page, Wells happenings. Stuart stated she is not able to be there all the time so it is nice to have someone to staff the office when Stuart is not available. Stuart has

attempted to staff with volunteers in the past which did not work out very well. Stuart felt it was important to have this economic development tool and asked for the City's support to help staff the office and museum.

Stanhope's concern was how this would impact the budget. Supp annually budgets \$8,000 for economic development which is where the money could come from if the Board felt this was economic development. Supp asked Stuart about the budget for the Society for the Preservation of Western Heritage and Stuart said there is no budget for the Society. The Chamber of Commerce has 30 businesses who are members of the Chamber which equals \$3,000 a year. From the \$3,000, overhead and phone bills are paid and the money to get the brochures printed has to be paid up front which affects the cash flow. Supp asked where the rest of the money comes from to pay the staff member who gets paid \$1,000 a month before taxes. Stuart stated hopefully Wells Rural Electric will be donating \$3,500, \$1,500 from the museum and \$1,500 from the Chamber for a total of \$10,000. Walz and Fuller questioned whether this was economic development. Fuller said it is a tough decision because it is a benefit to have the office staffed. Stanhope asked if all the businesses in town were members of the Chamber and Stuart said no. Stuart stated that if the City decides not to fund this, the doors would have to close as Stuart cannot do it by herself. Stanhope added that since this is something that has been done in the past, a precedence has been set but feels there should be a campaign to try to get more businesses to be members of the Chamber so they are able to fund this themselves.

Paul Bottari, past Chamber of Commerce President and current President of the Society stated there use to be more businesses but it was hard to get them all to join the Chamber. Bottari added that having Ron work in the office is a benefit to the City and \$3,500 from the City is a good contribution. A small town like Wells has a small amount of businesses and it is hard for any business to make a living in town and felt it was economic development. Walz asked if this would benefit the county as far as tourism and wondered if the county would pitch in to help fund staffing the Chamber. Supp said the brochures were already funded by the Commission on Tourism or the City of Wells helped finance them so it would be like double dipping. Stanhope made a motion to approve the \$3,500 request from Chamber of Commerce. Fuller seconded the motion and the motion passed with Stuart abstaining.

#### **DISCUSSION ON GEOTHERMAL DEVELOPMENT, DOE GRANT WITH ELKO HEATING DISTRICT AND REQUIRED MATCHING FUNDS**

Supp began that in the middle of April, Kelby from Better City had a conversation with the Department of Energy on the geothermal resource in the Wells area. There is a program called the Small Business Voucher for which granting is done for labs and private entities like the Elko Heating District. The challenge is how this money can be disbursed to do research on the Wells resource and then make it beneficial to the Wells community. The statement of work was done to do an in depth characterization of the geothermal resource using a two meter survey, water chemistry analysis and modeling. The topography and geography will be looked at with the geologists to try to determine what

the fault looks like and where would be a great location for a test well. This could turn into a community development block grant taking this information and pinpointing what businesses could be served by this resource.

The DOE grant would be to hire the geologists to do the lab work, working for the Elko Heating District, not the City of Wells. CDBG funds could be used to do the business analysis feasibility once the resource characterization is done. Supp stated the City's in kind and required matching funds would be staff time, Better City's time, Ira Rackley's time with the Elko Heating District and Rick Zaynor's time. It could also be a cash match for which CDBG would be eligible as matching funds for DOE. Supp did make sure that the DOE and Elko Heating District understood that the City of Wells will be an owner along with Elko Heating District of the test results. The cash match is \$50,000; \$200,000 from the DOE and \$50,000 from the private entity. Walz said this is a good example of private/public partnership. Elko Heating District has been great to work with, Kelby has done a great job writing the grant and Rick Zaynor has been a great expert to have on board. Walz said getting this grant was a long shot and was very pleased when the email arrived stating the City was going to receive the grant. Supp did add that retrofitting current buildings with the City's very affordable power would not work but would work for new construction.

#### **DISCUSSION AND POSSIBLE ACTION TO JOIN WITH PERSHING COUNTY AND/OR LANDER COUNTY AND AWARD SIERRA NEVADA CONSTRUCTION CONTRACT TO PAVE MOOR AVENUE AND TOBAR STREET**

Supp and Pengelly met with Sierra Nevada Construction today. Sierra Nevada has a bid for Pershing County and Lander County and would honor those bid numbers for the City of Wells. The quote that Sierra Nevada gave the City originally of \$240,000 is not with those bid numbers and is beyond the City's budget. Sierra Nevada Construction will go back and make sure their numbers match with the bid numbers. Pengelly would like to pave the end of August. Stuart made a motion to table this item. Stanhope seconded the motion and the motion passed unanimously.

#### **PUBLIC HEARING TO DISCUSS FINAL REDEVELOPMENT AGENCY PLAN, RULES AND FIRST READING OF ORDINANCE 228: AN ORDINANCE OF THE CITY OF WELLS, NEVADA, APPROVING AND ADOPTING THE REDEVELOPMENT PLAN FOR THE WELLS REDEVELOPMENT AREA**

**All property owners have been notified by mail however any members of the public may wish to comment at this time**

Supp began that all of the property owners in the redevelopment agency received the draft plan in the mail. Supp has had one property owner come in and get more information, a few phone calls were made and Supp has spoken to some property owners. All taxes generated from development or redevelopment are kept in the Redevelopment Agency fund. Elko County taxes, school district taxes and taxes from the City of Wells would all go to that fund. Redevelopment Agencies can provide the funding for private

entities through revolving loans, grants or doing all of the upfront work required for development. Redevelopment money can help facilitate the moving of a business to a more appropriate area. Anyone in the redevelopment area would have the right to come before the Redevelopment Agency with a plan and make a request to the Redevelopment Agency, then the Redevelopment Agency would evaluate the request and fund what is feasible.

Supp continued that the City of Elko's redevelopment plan was not at all successful. Elko is still sitting on the very first funds earned in the redevelopment agency because Elko can't get on the same page for the plans and vision. Supp feels Wells is in a better position because of the work done in visioning and planning with Better City and have a direction of where the City wants to go. A traffic study just received today shows 10,000 cars in a twenty four hour period going through the four way intersection. Those 10,000 cars are not stopping and staying long enough in Wells.

Supp added there will be phases with the Redevelopment Agency and maybe one of the first phases should be the exits off I-80, curb appeal added Walz. NDOT, in this district, is so large that it makes working with them difficult and funds NDOT receives don't go to landscaping like in the Las Vegas area. Stuart wanted to know how Paul Bottari felt about the redevelopment because his realty office is included in this area. Bottari thought if the funds could be kept here through the Redevelopment Agency instead of paying taxes to the county and use the money to benefit the community, it make sense and in the end, depends on how it is managed. Bottari thinks it is a good opportunity to use funds that otherwise would not be available to create an end goal and is in support of it. Stanhope said this is a step in the right direction.

## **CLAIMS COMMITTEE REPORT; ACTION TO APPROVE FINANCIAL STATEMENTS**

Stanhope made a motion to approve Warrant Register dated July 18, 2016 in the amount of \$27,109.57. Stuart seconded the motion and the motion passed unanimously. Stanhope again made a motion to approve Warrant Register dated July 20, 2016 to July 26, 2016 in the amount of \$91,441.20. Stuart seconded the motion and it passed unanimously.

## **COUNCILMEN'S REPORTS**

Stuart wanted to invite everyone to come and buy tickets for the Mark Twain impersonator on August 5<sup>th</sup> at 7 p.m. at the High School. Stuart has tickets available at the Chamber of Commerce office.

Walz mentioned that the car show would be this weekend. Walz wanted everyone to be safe and have a good weekend. Walz announced that she has taken a new position at WREC.

## **STAFF REPORTS**

Minutes of Wells City Council  
Meeting of July 26, 2016

Supp stated the car show events are listed on their website. Supp has been asked to upgrade some electrical issues at the park to help make the pancake breakfast successful. Supp wanted to remind everyone that no glass containers are allowed for the street dance and asked everyone to support the vendors. The firemen will be selling chorizos, beer and burgers at the park and beer at the burn outs.

Supp also mentioned an NNRDA meeting will be held tomorrow at 3:00 p.m. Walz stated she would be able to attend.

Supp would like to take a vacation and would be gone for the City Council Meeting on August 9, 2016.

After the car show, Western Heritage Days will be August 5<sup>th</sup> & 6<sup>th</sup> and the Jr. Rodeo August 6<sup>th</sup> and 7<sup>th</sup>.

Supp met with one of the sub-contractors for the Hampton Inn who will be starting on Monday and has expressed concern over the dust in the area.

The walls are up on Golden Gate Petroleum and the four way intersection is very busy.

Stuart wanted to add that there is also a trap shoot Saturday morning and the golf course is having an amateur tournament.

Iveson mentioned that the Sherriff's Department delivered an electronic fingerprint machine to the City and it will be set up and staff will be trained on how to use it.

Pengelly stated the public works crew will be putting in culverts next week on Moor and Shoshone and millings are being put at the golf course, high school baseball field and industrial park. Two blocks of the Wells Avenue project have been completed. Fire Chief Keven Hall stated the fire department crew will be busy this weekend. Hall continued that there have been three major events in the county in the last month and only had two firemen per event show up and is hurting for fire fighters. Hall needs help on how to generate man power for the fire department. Hall has arranged for the BLM to bring engines in for the fireworks Friday night.

Supp stated she has printed out the NCCC brochure that is being used to attract other projects. It shows a snapshot of Americorp in the City of Wells and talks about how many service hours were put in, the four blocks of sidewalk and curb construction that was completed with three weeks of service and ten members.

## **CITIZENS TO ADDRESS THE COUNCIL**

There were none.

**ADJOURNMENT**

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

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**LAYLA M. WALZ**, Mayor

ATTEST:

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**JOLENE M. SUPP**, City Manager/Clerk