

**MINUTES OF WELLS CITY COUNCIL  
MEETING OF SEPTEMBER 12, 2017**

**CALL TO ORDER**

Date: Tuesday, September 12, 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 M. Iveson, Utility Clerk – arrived at 8:30 p.m.  
Sherry Justus, Deputy Clerk  
Jason Pengelly, Public Works Director  
Jolene M. Supp, City Manager/Clerk  
Patti Zander, Deputy Clerk

**PLEDGE OF ALLEGIANCE**

Councilwoman Fuller led everyone in the Pledge of Allegiance.

**APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

Stuart made a motion to approve meeting minutes of August 22, 2017. Jackson seconded the motion and the motion passed unanimously. Jackson made a motion to approve special meeting minutes of September 5, 2017. Stuart seconded the motion and the motion passed with Fuller and DelRio abstaining.

**CITIZENS TO ADDRESS THE COUNCIL**

There were none.

Minutes of Wells City Council  
Meeting of September 12, 2017

## **DISCUSSION AND POSSIBLE ACTION TO SELECT DAVE WHITE, P.A. PROPOSAL OR NEVADA HEALTH CENTERS PROPOSAL FOR HEALTH CARE MANAGEMENT**

City Manager Supp declared that she had a potential conflict of interest as Supp's daughter has been in contact with both parties for potential future employment. Walz began that last week at the special meeting, Dave White presented some of his ideas for the clinic. Nevada Health Centers also wanted that opportunity and had a presentation. Walter Davis, CEO of Nevada Health Center stated he has been with the organization a little over five years. Davis stated his team, that was also present, included Dr. Randy Christensen, chief local officer, Ashley Leahy, practice manager, Sandra Deleon, Regional Director and Joe Ackerman, Chairman of the Board. All were present to answer any questions. NHC has been around for forty years, started in the rural areas and have expanded to sixteen health centers. NHC has five providers; three family practice, a woman's health practitioner, an obstetrician as well as offering behavior health via telemedicine. NHC accepts Medicare and Medicaid and have a sliding scale based on income. There is a blend of appointments as well as walk-ins.

Sandra Deleon explained what it meant to be a FQHC (Federally Qualified Health Care Center). A FQHC can provide services and have access to services that a for-profit agency doesn't have. Fees are based on income and the federal guidelines for the federal poverty level as well as being contracted with a majority of health plans. NHC has access to 340B discounted pricing which means discounts received in pharmaceuticals can be passed on to patients, as well as operating their own mail order pharmacy.

Walz asked if family planning would be provided by the local provider or would be provided by someone else. Christensen stated there are a couple of providers that have been trained in women's health issues. A new woman's health provider has just been hired as part of the title ten grant. The job description will require her to travel and serve the entire county. She has also been trained to install implantable birth control as well as IUD's. Type ten funding is received for family planning which means there could be birth control and family planning services at no cost for qualifying patients. A vaccine program for children is also available. NHC has electronic health records. There is an in-house laboratory, contracted with LabCorp, diagnostic services, sports physicals, occupational health, health fairs, and vaccination clinics for flu shots as well as back to school vaccines. Some of the most common medications will be available on site. A mobile mammography unit and mobile dental unit can be scheduled to come out as needed. NHC is partnered with the University of Nevada School of medicine and has the potential to bring in residents and teach medical students.

Dr. Randy Christensen is trained in both internal medicine and pediatrics and has been in health care for over 25 years. Christensen stated NHC makes sure they are state of the art and have state of the art technology. There is always someone available twenty four hours a day. If a provider at one of the clinics needs help, there is someone available to

reach out to. If a provider wants a second opinion, that is where the tele-health can come in handy with the ability to reach out to a specialist, as needed. Walz asked what the plans were regarding an x-ray machine as the one at the clinic is old and not compatible with new regulations. Davis recommended bringing in a portable x-ray machine as it is less expensive and there may not be a need for a lot of x-rays.

Stuart asked Davis about the request for \$40,000 plus use of the building as well as when the clinic might open if the Board chose Nevada Health Center to staff the clinic. Davis stated the \$40,000 is based on a productivity model as well as patient volume. Davis continued it could be less than the \$40,000 and that number would be finalized at the end of the first year. As far as time schedule in opening the clinic, it takes ninety days to get the site location approved and then would probably be another month after that. Stuart asked who carried the malpractice insurance and was told it is carried through the federal government. Davis was asked what the schedule for Wells would be and stated the clinic would be open three days a week with ten hour shifts from the start and could be expanded if needed. Local staff would include a provider, a front office person and a medical assistant. An open house would be held with local marketing and flyers sent out in the mail.

Walz asked what the average cost for an office visit would be for a patient that walked in with a high deductible insurance or no insurance. Davis stated the average visit is about \$120. Leahy stated the sliding scale is based on income and for those who qualify, there are three different tiers. There would be a \$30, \$60 and \$90 office visit. Anything you receive during that office visit would be included in those rates. The only thing that would not be included in those rates is a blood draw.

NHC has great relationships with specialists from all over and work with all hospitals as well as having a contract with the Veterans Administration. Each community that NHC serves has a representative from the community serve on the board of directors with monthly meetings by video or phone. Walz wanted to know if Elko County and the other communities being served contribute to the annual budget. Christensen said some do and some don't and yes, Elko County contributes financially to Nevada Health Centers.

Walz stated the sooner a decision is made, the sooner Wells can have health care. Walz does not like having to pay the \$40,000 but that amount could be reduced or completely done away with. Walz stated she is leaning towards NHC even with just being open three days a week. If the demand is there, days could be increased and NHC offers so many additional services, are more affordable and the best decision for our community. Fuller thinks NHC has the backing and is not just starting out. Fuller is concerned White could over extend himself opening the clinic in Spring Creek and Wells at the same time. DelRio is in favor of NHC and likes being able to branch out to so many different providers and specialists. Stuart thinks White did a good presentation but is taking on too much. Those on Medicare can't find a doctor to go to in Elko and NHC would help with that. Jackson has concerns with the three days a week and the \$40,000 but both may be

addressed with time. The sliding scale for the community is huge and is already set. Jackson made a motion to recommend Nevada Health Center's proposal for the health care management of our local facility. Fuller seconded the motion and the motion passed unanimously. There was a short break.

**DISCUSSION AND POSSIBLE ACTION TO APPROVE OR DENY APPLICATION FOR ZONING AMENDMENT FROM GENERAL COMMERCIAL TO R-2 MH, RESIDENTIAL MEDIUM AND HIGH DENSITY DISTRICT WITH A MOBILE HOME COMBINING DISTRICT, LOT 17-19 BLOCK D APN # 002-542-012, LOT 8-9 BLOCK D APN #002-542-003 AND LOT 10-11 BLOCK D APN # 002-542-002, DAVID & KAREN CAPRON**

Walz began that changing the zoning on the lots on Seventh Street had been discussed at a previous meeting but this request also includes the residence on Sixth Street. Walz is concerned rezoning the residence on Sixth Street could be considered spot zoning. Capron stated that when their residence was put there thirty one years ago, lending was different. Now it has changed and loans cannot be obtained on a residence that is zoned commercial. Capron continued that changing the zoning on the residence on Sixth Street would allow them to sell their residence in the future if they chose to. This has been a residence for the last thirty one years and was a residence before. Capron added that if something were to happen to her and Dave, her children won't have a hassle selling the house and only wants the change to be able to refinance their house if Capron's want. Capron was asked what the plans were for the Seventh Street property and stated there are no plans at this time. Walz asked if any public comments had been received. Stuart stated that one person had stopped by her office saying they were opposed to the zoning being changed. Supp stated she had not received any letters. Property owner Skip Zander came forward expressing concern that if it were changed to residential would devalue his property. Zander stated the Capron's have been good neighbors but is concerned if it were to be sold, the new owners might not be as nice about equipment coming in and out of his shop all hours of the day and night.

Lori Bottari stated over the years there have been other changes with north Fifth Street being buffer commercial. Sixth and Seventh Street have always been a problem when you go to sell property or property is inherited. It is impossible to get financing on a residence in commercial zoning. Bottari is in favor of the zoning change to R2, R2-MH or Residential Office. Supp stated if it was the Boards intent to rezone the Sixth Street Residence to Residential Office, the City will need to notify all property owners again and re-agenda this item for that decision. Stuart stated it was her understanding that some property on North Fifth Street was re-zoned to Residential Office and banks would not lend on it because it had office in the zoning language and does not think that would solve the problem.

Walz stated that because there has been so much effort put toward redeveloping the downtown area and revitalizing some of the businesses, it wouldn't be prudent to take

one spot in the middle of Sixth Street and make it a residence. Walz feels there is room for some residences in the downtown community but does not think that is the best application. Capron asked if this item could be tabled and put on the agenda for next month and she will consult her attorney. Stuart added that looking in the NRS Statutes, it states that once a Master Plan has been adopted showing the different districts and adopted by the City Council, everyone has to abide by what was voted on unless there is a hardship. Stuart can see the hardship on Capron's part but does not know if the hardship will carry into what is best for the community.

Paul Bottari stated he can see both sides. Bottari has had an office here since 1990 and feels if the Council isn't going to support this type of zoning, some kind of zoning should be looked at that would allow a residential and commercial district that will qualify for loans for residential purposes. Bottari thinks there are a few lots on Sixth Street that may be better for residential. Stuart stated when researching mixed uses in a commercial area, it showed that there could be a residence above a store or attached to a commercial property and it was called multi-use. It is not known if the banks would support something like this. Bottari stated a zoning needs to be found that will allow residential in a commercial district and still be able to get financing.

Walz stated the zoning needs to be protected and not just allow anything. The City has a strategic plan that works and communities that have strategic plans grow. Fuller stated she is in favor of rezoning the lots on Seventh Street but not the Sixth Street residence. Walz stated maybe in the meantime lenders could be contacted to see if there is a zoning that would allow mixed use that could still be financed. Stuart made a motion to approve the zoning change on 354 Seventh Street and 338 Seventh Street and table 313 Sixth Street for future discussion. DelRio seconded the motion and the motion passed unanimously.

#### **DISCUSSION AND POSSIBLE ACTION TO ACCEPT OR DENY REQUEST FOR PROPOSAL FOR CITY OF WELLS MUNICIPAL GOLF COURSE**

Supp began that one proposal was received from Cameron Huff, who was at the meeting to answer any questions. Walz stated she met with Huff and Huff expressed an interest in being an employee rather than under a contract. Walz continued that Huff has a lot of great ideas for the golf course and is local. Walz had a lot of her questions answered by Huff regarding passes, payment plans, marketing, lessons, expanded use of the golf course and what Huff would do in the off season. Fuller stated that Huff's plan of operation is very interesting. Stuart thought it was a very energetic proposal full of enthusiasm. Supp stated that if Huff were an employee of the City of Wells, as an employee would have reviews, evaluation of performance and disciplinary action if there is no performance. Initially, this position was to be short term for the City to be collecting all the revenue to see what the potential income could be but Supp does not think that is Huff's long term plan. Supp thinks Huff is hoping to be an employee for the long term.

Stuart stated with a contractual employee, you have a contract that can be read and signed. Being an employee of the City, you would receive benefits, so the distinction needs to be made between a contracted employee and a City employee. Fuller asked with the golf course being seasonal, what would Huff do during the off season? Supp added that looking at Huff's plan of operation, there are plans for activities during the off months and wintertime activities. Some of the challenges for wintertime events and activities is that the clubhouse is not set up to operate during the winter. The kitchen needs upgrades as well as the heating and insulation are very minimal. There are plans to get rid of the elevated floor.

Jackson stated that since the City wanted to see what revenue is coming in at the golf course, would it be possible to do a one year internship to see how it works and see the figures. Huff stated that could be a possibility but this coming years revenue is not going to be conducive to what it could be in the future because it has gone so far downhill. Huff thinks the first year or two will be pretty tough to get the numbers back up because numbers have dropped the last few years. Stuart asked Huff if he were a fulltime employee of the City, how would he pay for his help or would his wife be working with him. Huff stated that has been discussed because that is not a one man job. Jackson likes the proposal but would like to see a cost analysis of what the options are looking at a contract and an employee. Fuller stated it is exciting to have somebody that is enthusiastic and has a plan, knows what it used to be and plans to hopefully bring it back to what it could be. Fuller made a motion to accept the Request for Proposal from Cameron Huff for the golf course. Stuart seconded the motion and the motion passed unanimously.

#### **DISCUSSION REGARDING STATE CDBG APPLICATION FOR ROUND TWO. STAFF RECOMMENDATION FOR APPLICATION REQUEST AND PUBLIC COMMENTS**

Supp began that this is the same application as before but Better City has made a few changes. One of the big changes is that while this is proposed to create 58 fulltime jobs upon development, it also is shown to create 30 construction jobs. This is a request to the state for \$815,000 which is probably the biggest request the state has seen. It has been suggested to spread this over two years. Walz asked for public comments and there were none. Walz also asked if it needs to be approved at this meeting and Supp stated it needs to be to the State by September 29, 2017 so there would be one more meeting before the deadline. Supp stated that the next agenda item would be a requirement to move forward with this grant. It was decided to move to the next item and come back to this item.

#### **DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION 17-12 A RESOLUTION OF THE CITY OF WELLS, NEVADA WHICH IDENTIFIES A BLIGHTED AREA IN NEED OF REDEVELOPMENT EXISTING WITHIN THE CITY OF WELLS, NEVADA; DEFINING THE CURRENT CONDITIONS IN THE ESTABLISHED REDEVELOPMENT AREA; PROVIDING FOR THE**

**IMPROVEMENT AND REHABILITATION OF THE REDEVELOPMENT AREA; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE**

Supp began that the area described is in the flood zone, has property in need of environmental remediation, property with buildings built for uses other than what they are currently being used for, property with nonconforming uses to tourist commercial zoning, property that is deteriorated, boarded up and unkempt. Fuller wanted to know what this would do to those property owners appraised value. Supp stated it could affect it but it is a redevelopment area already which basically says it needs redeveloped.

Supp stated that at the Main Street Conference she attended last week, there was discussion on vacancy tax. If someone is not offering their property in a blighted area at 25% of the market value and not actively working to improve that property, a vacancy tax would have to be paid. Walz added that this gives the City some ability to increase these property values by being able to apply for this grant and improve this property. Paul Bottari stated as one of those property owners, if the City did not get the grant, would not want to be considered blighted. Bottari continued if the resolution is passed, do it on the condition that it would revert back. Walz stated that the redevelopment agency has been established as something that needs to be redeveloped and there is blight in that area and acres not being used because it is in the flood zone. Fuller made a motion to approve Resolution 17-12. Stuart seconded the motion and the motion passed unanimously.

**DISCUSSION REGARDING STATE CDBG APPLICATION FOR ROUND TWO STAFF RECOMMENDATION FOR APPLICATION REQUEST AND PUBLIC COMMENTS (continued)**

Walz stated it was of her opinion, now that the resolution has been approved, it would be foolish not to approve the grant. Fuller asked when the City would know if it has received the grant. Supp stated round two, which has \$550,000 available, will be considered by the state the middle of November. It will be April before the City would know on the 2018 grants. Stuart made a motion to approve the CDBG application for round two. Jackson seconded the motion and the motion passed unanimously.

**DISCUSSION AND POSSIBLE ACTION TO ACCEPT FEMA FLOODING GRANT AGREEMENT, STATEMENT OF ASSURANCES AND AUTHORIZATION FOR MAYOR TO SIGN**

Supp began that the City of Wells was approved for funding to go from the federal to the state level. The state is offering the award agreement with federal assurances. The first grant is for sandbagging and preventative measures. The second grant is for the drainage and silt work and the last one is for asphalt, silt and culvert work that has already been done. There could be an additional 12 ½% that the state could give but there is a possibility that the state could come and want that back. The state is also going to require

proof to the Department of Taxation that there is no money and without the 12 ½%, the City is going under, which isn't the case. Supp talked with the City of Elko. Elko is not going to accept money from the State for this reason.

The draft has been submitted to the state on the backup documents because it is really important to review the documents and verify that the City has documented the equipment, manpower, locations and everything appropriately. The total amount for all three grants is \$130,000 and this money has already been spent. The City will be reimbursed 75% of what has been spent. When the federal documents were signed, everyone thought things were ready to go. The documents that had been signed were to get from the federal level to the state level. Supp has had to adjust the audit and defer this revenue. Stuart made a motion to accept the FEMA Flooding Grant Agreement, Statement of Assurances and authorize the Mayor to sign. Fuller seconded the motion and the motion passed unanimously.

#### **DISCUSSION AND POSSIBLE ACTION TO GRANT OR DENY JAY ERIKSEN LEAK CREDIT**

Walz stated that Eriksen has fixed this leak. Pengelly stated that when customers are notified of a potential leak, most customers jump right on it and get it fixed which is a totally different situation than waiting six months or longer to fix it. After some discussion, Stuart made a motion to credit Jay Eriksen \$200 for his water leak. Fuller seconded the motion and the motion passed unanimously.

#### **DISCUSSION AND POSSIBLE ACTION TO GRANT OR DENY ELKO FEDERAL CREDIT UNION LEAK CREDIT REQUEST FOR ANGEL LAKE RV PARK**

Walz began that a lot of time was taken to repair this leak. City staff and Public Works spent a lot of time at the RV Park identifying where the leak was only to be told that there was no leak, City staff was wrong and the problem was the meter. Pengelly stated he has an issue with this leak credit being approved because it was such a long drawn out process. Pengelly continued that the City had personnel from Nevada Rural Water come from Reno to help determine where the leak was and this was time consuming. The leak was identified and suggestions were made how to narrow down the exact location on the south row and nothing was done.

Jackson stated this was actually for sewer charges and the request was not for water charges. Supp said that was right and would not recommend giving a water credit because the water was pumped and the Wrights were informed they had a leak and it was not fixed in a timely manner. Staff needs to know if there is a fair rate to charge for sewer because the sewer charges are determined on last year's water consumption. Walz felt it was fair to adjust the sewer rate going forward based on what the consumption was rather than to continue to bill them. Supp is suggesting that the cost be based on 78,000

gallons that would have equaled \$390.00 per month. Jackson asked why it was based on twelve months. Supp stated she was not willing to go back more than twelve months because of the fiscal year and having to open up a closed audit year. Supp stated if the Board wants to go back farther than twelve months then we can go through that process.

Fuller asked when the RV Park was notified of a leak. Supp stated in November of 2016, Mr. Wright had been informed that there could be a possible leak. Wright thought at that time with it being very cold, that the trailers in the park were leaving water running to prevent freezing up. Once the weather warmed up and the consumption was still high it was determined that the usage was not due to water being left running. There was discussion with the Wright's in February, March and April on a weekly basis regarding the leak. The Wright's had some people scheduled to come from Gardnerville in May that didn't come until June to do the repairs. Fuller thinks this has cost a lot of money staff wise and even though it was sewer fees, has issues giving a refund.

Elko Federal Credit Union has a potential buyer for the RV Park. Walz stated the Board has always encouraged new business and economic development and thinks for those reasons, a credit should be granted. Stuart thought there should be deductions due to the staff's time and doesn't think a new business should be punished for what the old business owners did. Jackson asked what month it was determined that there definitely was a leak and was told it was February. Pengelly stated that staff went over and dug up the valves on the property, isolated the three sections, put gauges on and determined it was the south row that had the big leak. It was suggested to the Wrights to move the trailers off that row and turn that row off and the trailers were not moved. That would have solved the leak issue until they got around to getting it fixed by just putting trailers on the first two rows. Pengelly worked with them and gave suggestions but none of the suggestions were ever utilized. Pengelly continued that staff was on scene when Navco was there doing the digging to verify the leak. It cost the City \$1,500 to replace the water meter because Wrights insisted the water meter was the problem. The problem could have been remedied a long time ago.

Jackson has a problem going back a full twelve months and thinks it should only be calculated back to November of 2016. Walz stated that some of the usage that had been calculated was from 2014 which there is no proof there was a leak at that time. A credit of \$911.00 is what Walz recommends be given and adjust the rate going forward. If there had not been a leak through the winter, the sewer bill may have been calculated at \$390.00 instead of the \$617 and using the figures provided, would have been billed \$911.00 less. Walz stated the \$853.75 was set on water usage for a period when there probably wasn't a leak. Supp added that usage was when the park was full during the winter with construction people. Stuart made a motion to credit Elko Federal Credit Union \$911 and adjust the future sewer rate. DelRio seconded the motion and the motion passed unanimously.

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

Stuart made a motion to approve check register dated August 1, 2017 to August 31, 2017 in the amount of \$103,251.74. DelRio seconded the motion and the motion passed unanimously. Stuart again made a motion to approve Warrant Register dated August 23, 2017 to September 12, 2017 in the amount of \$94,989.33. DelRio seconded the motion and the motion passed unanimously.

## **COUNCILMEN'S REPORTS**

Walz stated she will not be at the next meeting. Walz and Supp attended the NNRDA Strategic Planning Meeting yesterday in Elko. Walz feels Wells is leading the county as far as strategic planning. Walz continued that planning is valuable in communities and communities that plan and develop have a better quality of life for their citizens.

## **STAFF REPORTS**

Supp stated the geologists are out on Metropolis Road doing resistivity surveying to help pinpoint where to drill.

Supp attended the Main Street conference last week and would like to bring the power point presentation to the next meeting. Supp continued that it is a big financial commitment.

Pengelly stated the transfer station is no longer being manned at this time. The gate is still being opened at the same times and no fees are being collected. The hours will soon be changed to being open two days a week. Walz added the gazebo looks good.

## **CITIZENS TO ADDRESS THE COUNCIL**

There were none.

## **ADJOURNMENT**

The meeting adjourned at 10:18 p.m.

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**LAYLA M. WALZ**, Mayor

ATTEST:

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

Minutes of Wells City Council  
Meeting of September 12, 2017  
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