

**MINUTES OF WELLS CITY COUNCIL
MEETING OF SEPTEMBER 27, 2016**

CALL TO ORDER

Date: Tuesday, September 27, 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: Kenny W. Huff, Vice-Mayor

ROLL CALL

Present: Kenny W. Huff, Vice-Mayor
Cindy Fuller, Councilwoman
Robert D. Stanhope, Councilman
Yvonne Stuart, Councilwoman

Absent: Layla M. Walz, Mayor

Quorum: Yes

Staff Present: Heather Iveson, Utility Clerk
Sherry Justus, Deputy Clerk
Jolene M. Supp, City Manager/Clerk
Patti Zander, Deputy Clerk

PLEDGE OF ALLEGIANCE

Paul Bottari led the Pledge of Allegiance.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS

Stuart made a motion to approve meeting minutes of September 13, 2016. Fuller seconded the motion and the motion passed unanimously.

CITIZENS TO ADDRESS THE COUNCIL

There were none.

**DISCUSSION AND POSSIBLE ACTION TO GRANT OR DENY APPLICATION
FOR BROTHEL LICENSE TO ANGELA MANNING TO PURCHASE DONNA'S
RANCH**

Sheriff Pitts reported that his office had done the investigation on Angela Manning and sees no reason to deny the brothel license and recommended the license be approved. Pitts also stated that there was a liquor license included with the brothel license. The liquor license approval had not been put on the agenda so will have to be approved at the next meeting. Pitts did say a temporary could be issued if needed before the next meeting. Huff wanted to declare a conflict of interest because his household receives financial gain from the brothel and would abstain from the discussion. Manning came forward to give some history and answer questions. Manning stated she hopes to build a new building on the property next to the current building and Donna Huff will remain the key employee at the brothel. The purchase of the brothel is contingent on Manning being approved for the brothel license. Stanhope made a motion to approve the license based on the Sheriff's Department stipulations. Stuart seconded the motion and the motion passed with Huff abstaining.

**DISCUSSION AND ACTION TO ACCEPT PROPOSAL FOR
HYDROPONICS/AQUACULTURE FEASIBILITY STUDY CDBG 16/PCB/14**

Supp began that this request for proposal had been advertised and only one proposal was received from Better City. Huff feels Better City has steered the City in the right direction on several things and have good advice. Stanhope was very pleased and asked what the fee was. Supp explained that the Board has to accept the proposal before the fees will be negotiated. Stuart thought Better City's credentials were phenomenal and were very qualified to do this project. Stuart made a motion to approve the proposal from Better City. Stanhope seconded the motion and the motion passed unanimously.

**PUBLIC COMMENT PERIOD TO OFFER POTENTIAL CDBG SUBMITTALS
PROJECT OPPORTUNITY FOR THE PUBLIC TO BRING FORTH PROJECTS
PUBLIC PARTICIPATION STATEMENTS
COMMUNITY NEEDS ASSESSMENTS
PAST PERFORMANCE REPORT**

Supp noted that public participation statements are no longer required by CDBG. Everyone had a copy of the past performance report and Supp stated CDBG has been very good to the City over the years. There were a couple of projects that showed still open but were closed in 2008. The economic planning grant closing had just been received today. Supp added that the hydroponic/aquaculture project just approved is the only open grant with CDBG and is last year's grant. Huff commented that the low to moderate income is still helping and asked if the percentage was still the same this year. Supp stated the low to moderate income survey is good for five years. Supp continued that CDBG is definitely changing and the Governor has shifted toward economic development and job creation. During this comment period over the next month, this needs to be kept in mind and the grant will score higher when a job creating grant is submitted.

Stanhope added that about a year ago, the City filed a grant, keeping in mind the changes that had been made by the Advisory Committee and recommended the projects they thought were the most needed. Once the grants that were awarded reached the Governor, he was not happy with the decisions made by the Advisory Committee and second round funding was offered. Typically CDBG would take a look at the original list and give the money to the last two grants that were on the bubble and not funded but that was not done. The Governor wanted to open it back up and get grants that had job creation. Supp stated the geothermal grant was resubmitted for the second round which will be heard around the middle of November. This will be 2016 money and not be available until August of next year.

Supp continued that the Community Needs Assessment is the other document and the indoor swimming pool and the old City building need to be removed from this document. Supp added on the last page it states “the City of Wells has completed a strategic plan and would recommend the plan be consulted prior to any improvements to verify compliance with the plan. The plan identifies development needs within the redevelopment agency as well as other required activities for growth in Wells.” Supp wanted to refer back to the Strategic Plan to make sure that CDBG knows the City of Wells has a systematic plan in place. Huff stated there are a lot of high priority items that are very important. Supp stated now is the time for the public to bring forward any CDBG projects the public may be thinking about for the next two meetings. Bottari inquired at what meeting the decision would be made and Supp said it would be the October 25th meeting. Huff added that if there are any thoughts or ideas from any community members that can’t make it to a meeting, the City needs to hear as much as possible because the decision needs to be made on behalf of the citizens and what is best for the City. Stuart thought it would be helpful to have some perimeters because economic development is very broad and if a list could be made relating to economic development in the redevelopment district. Supp does have a list that she has taken out of the Strategic Plan.

Supp continued that the Strategic Plan is a culmination of the chapters Better City put together; the asset inventory for the City of Wells, the work force available to the City, the housing and traffic study. Geothermal is one of the big assets and the City has already received a DOE grant for \$250,000 through Elko Heat District to study this area. The second round of CDBG was for the actual test hole well drill after the study is done. There should be some good modeling available by the time the study is done. The land available for development in this area is another asset. Better City was very happy with Wells Rural Electric Companies rates and felt that would help but also thinks natural gas as well as broadband will be a benefit. Supp contacted Frontier because last spring Dave Roberts had informed the Council that the broadband system was going to be amped up. Supp spoke to Roberts today and Roberts stated work was still being done with the engineer working through the process trying different methods to finance and engineer the project. Supp asked what the cost was and informed Roberts that there was USDA money available. Roberts informed Supp that they were trying to work with Connect America funds which is predicated on competition. Frontier has communicated that the

need is for \$80,000 to \$100,000 to improve the broadband in Wells. Frontier is not able to take on any new customers in the broadband business at this time. Fuller feels the old phone lines also need to be upgraded to be able to provide reliable service. Stanhope wanted to know how that money would be spent and Supp stated that there is an engineering component that is needed in Wells.

The work force is talked about a lot in the Strategic Plan and the City is seeing a younger work force. One of the huge benefits is the lack of commute time but the pay may be less than some of the other areas. Unemployed people in Wells do not stay here very long.

The housing analysis showed a lot of houses in Wells but they are old homes. The work force wants move in ready housing available and access to a gym and pool. One of Better City's recommendations, and a pro forma has been created, for a thirty unit garden apartment. The community is growing and developers are being looked at. Items that could qualify for CDBG are broadband and natural gas; some sort of incentive for housing; a detailed plan and brand establishment for tourism in the RDA for the conservatory. Also, recreational activity to draw people off of the freeway; flood zone mitigation with most being filled up or dikes to divert the water around the community; revolving loan establishment for the RDA and the downtown and El Rancho to preserve some of the downtown gems.

REVIEW, DISCUSSION AND ACTION TO ACCEPT CDBG STRATEGIC PLAN BY BETTER CITIES

Huff began that there is a lot of good information in this plan to which Stanhope agreed and added Better City has done a great job. Supp informed everyone that this plan is available on the website. Stanhope made a motion to accept the CDBG Strategic Plan by Better City. Fuller seconded the motion and the motion passed unanimously.

PAUL BOTTARI FROM BOTTARI REALITY TO ADDRESS THE BOARD OF COUNCIL ON THE DEVELOPMENT ESTIMATES ON 71 ACRES ON THE ANGEL LAKE ROAD – APN 002-810-003

Bottari informed the Board that he had received an estimate from Navco today on the 26' wide gravel road for this development, bringing water to each parcel, two cattle guards, two different approaches off Angel Lake Road and nine fire hydrants at a cost of \$425,000 making the cost per lot of \$14,176. This does not include any engineering costs or costs for power. The property is for sale for \$275,000 which would add \$9,166.66 to each lot plus \$10,000 for engineering bringing the cost per 2 acre lot to \$23,676. Bottari thinks with the 71 acres, approximately thirty lots can be developed. Bottari was trying to figure out what the lots could be sold for because they need to be sold for what they can appraise for and thinks that could be around \$30,000 to \$35,000. Bottari is currently talking to two developers. One is interested in building stick built homes and the other one manufactured homes. If City sewer was required as well as paved streets, Bottari does not feel there would be any way to sell these lots and needs the Boards support for

septic systems and gravel roads. Bottari added that two acre parcels are all over the county with septic systems and no one is having any issues

Supp stated as they drove the property, there are some deep cuts in the property which would make it difficult to put in a municipal sewer system. The other property around this development is private property that could not be cut across to put the sewer system in. Huff has researched the septic system and does not have a problem having septic on two acre lots. Huff added the City needs growth and this is a good start. Huff continued that he thinks using the millings on the roads would also work.

Stuart would like deed restrictions so a lot could not be subdivided and would also like to see a minimum square footage on houses. Bottari thought the size of the houses should be left up to the developer and is not something the City should dictate. Stuart doesn't want the development to look like Ryndon. Bottari stated Ryndon was developed a long time ago when anything could be put out there. Bottari believes the developer will have some covenants in place for quality permanent homes. Bottari also thinks there are local people who may be interested in buying a lot and converting their current residence to a rental. Fuller added that it says in the Strategic Plan that housing is needed and there have not been any other plans other than the development Bottari is working on. Fuller doesn't think there should be any stipulations put on this development right now. Bottari continued that the next step will be to ask for a zoning change from R-1 to R-3. Huff stated there has been good growth in businesses but there hasn't been any in housing which is what is needed.

DISCUSSION ON STAPLES GOLF RESOURCE GROUP'S ROUND TABLE DISCUSSION HELD ON SEPTEMBER 26, 2016

Huff began that he was impressed with the presentation and thinks a community building could be beneficial to a lot of people, including non-golfers, if the right things are done. Some of the examples brought up such as a running/walking path, go carts, putting area for kids as well as a small course for the kids were all good ideas. Anything that will include the whole family will bring more people to the golf course. Huff feels this is a step in the right direction and need to create an environment that people want to be in. If enough opportunities are available for non-golfers, families will come out. Stanhope said there were some good ideas but bottom line is how to finance this project to make it work for the whole community. Supp stated there is a very tight budget and the City needs to invest and not just spend.

Stanhope wanted to know what the next step would be to move forward. Supp stated that when the assessment is back in approximately four weeks, we will see what Staples liked and didn't like. Supp said in walking the course with Staples, there were some really good compliments. Suggestions were on efficiency that will not cost anything to implement and will save money. Supp and Pengelly have been looking at the numbers and the golf course used 56 million gallons of water this summer. Four years ago it used 30 million. Walking the course there are some very boggy areas. Pengelly met with Franco to

discuss different things, mainly the two inch line that is leaking at hole two and three that also feeds the club house which has a leak and is sinking the concrete pad. Pengelly wants to remove this line this fall. Staples is of the opinion that there is a need for a new irrigation system. USDA will not fund a new irrigation system but will fund the clubhouse. The USDA has offered 2.375% interest to fund a new club house. There was discussion last night about getting rid of the greens keeper. Staples said a lot of municipal courses are going that direction but doesn't necessarily agree with that because of the loss of expertise. Supp added that if the decision was made to not have a greens keeper for a period of time, it doesn't mean one can't be brought back in the future.

Huff's interest in this meeting was what could be done for non-golfers. Supp stated golf is not an easy game to pick up but there are things that can be done for the kids. Fuller wanted to hear more as to what the community liked about the golf course and didn't like and was hoping for more input at the meeting. The report should contain some of this information.

DISCUSSION AND POSSIBLE ACTION TO CANCEL NEXT CITY COUNCIL MEETING ON OCTOBER 11, 2016 OR RESCHEDULE FOR MONDAY, OCTOBER 10, 2016

The reason this is on the agenda is because with the League of Cities Conference being held during this week, it was questionable if there would be a quorum for the regular meeting on October 11th. Huff, Fuller and Stanhope will not be attending the League of Cities and will be here and available either day. The meeting will stay the regular date.

CLAIMS COMMITTEE REPORT; ACTION TO APPROVE FINANCIAL STATEMENTS

Stanhope made a motion to approve Warrant Register dated September 14, 2016 to September 27, 2016 in the amount of \$262,786.68. Stuart seconded the motion and the motion passed unanimously.

COUNCILMEN'S REPORTS

Stanhope reported that he attended the Elko County Recreation Board meeting earlier today and the City of Wells was approved to receive money for the car show and rodeo. Stanhope stated that one of the board members had attended the Wells Car Show and was very pleased with what they saw, had a very good time and said it was one of the best car shows they had attended. The next meeting will be held on December 13, 2016.

STAFF REPORTS

Supp began that the County Commissioners will be holding a meeting in Wells on October 19, 2016 at 1:30 p.m. and have asked Walz and Supp to give an update on what is going on in Wells.

Supp also informed the Board that Tony Franco's retirement party will be Thursday starting at noon.

Supp attended a USDA Meeting last week. There was a hydroponics/aquaculture session on getting started and doing it as a business. Most ventures are nonprofit but the City is looking at "for profit" and Supp was able to attend the "for profit" class. Supp feels there is some significant money to be made and there were a lot of good suggestions. Supp added that attending farmers markets this summer has helped her to better understand the hydroponics/aquaculture business venture that the City will be assisting in. Supp added there will be some good data for this study.

There was also conversation on cyber security, the hacking of servers and the cost to businesses. The presentation was from the founder of MacAfee who is now with Intel. A significant portion of their business now is hacking the hackers. The largest amount of hackers are in white collar businesses who are stealing their competitions information. Hacking is the second highest crime behind drugs.

Iveson informed the Board that Golden Gate Petroleum held a job fair at City Hall on Monday and there was going to be a community blood drive held tomorrow at the LDS Church. The blue bin hours have been changed to Wednesday through Friday by appointment only between the hours of 11:00 a.m. and 3:00 p.m.

CITIZENS TO ADDRESS THE COUNCIL

There were none.

ADJOURNMENT

The meeting adjourned at 8:24 p.m.

LAYLA M. WALZ, Mayor

ATTEST:

JOLENE M. SUPP, City Manager/Clerk

