

**MINUTES OF WELLS CITY COUNCIL
MEETING OF NOVEMBER 28, 2017**

CALL TO ORDER

Date: Tuesday, November 28, 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
Laura Moore-DelRio, Councilwoman
Tamrah Jackson, Councilwoman
Yvonne Stuart, Councilwoman

Absent: None

Quorum: Yes

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

PLEDGE OF ALLEGIANCE

City Manager Supp led the Pledge of Allegiance.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS

Stuart made a motion to approve meeting minutes of November 14, 2017. Jackson seconded the motion and the motion passed unanimously.

CITIZENS TO ADDRESS THE COUNCIL

Denny Stanhope came forward to bring to the Council's attention an article that was in the Wells Progress regarding Union Pacific Railroad investing 26.8 million dollars in Nevada for railway construction. After reading through the article, nothing was mentioned about doing anything in Wells. The article talks about working to minimize flooding by placing more culverts and raising the railroad beds. Stanhope wanted to

know if anything has been said about doing anything in Wells after the flooding that occurred in February due to there not being enough culverts under the railroad. Supp stated she had heard nothing about UPRR updating any of the culverts in Wells and would have to contact Nathan Anderson and get a report. Supp continued that the City of Wells is working with FEMA to do the flood plain study to determine what the capacity needs to be for those ditches. Stanhope thought it might be worthwhile to contact our legislatures in Carson City. Supp will do some checking and report back.

**DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION 17-13,
RESOLUTION ESTABLISHING GOLF COURSE FEES AND MATTERS
PROPERLY RELATING THERETO**

Supp began that the pass rates and golf rates are the same. The daily cart usage fee, cart rental fee, pull cart fee, golf club rental, range balls, disc golf, foot golf and the clubhouse cleaning fees have all been added. Also established were the golf shop merchandise averaging a 50% return, the golf course bar 60% and food 30%. Supp also had Justus add the payment plan to the resolution. There will be a change regarding sales tax. Supp and Justus called the Department of Taxation and were told that because the City of Wells is tax exempt, will also be tax exempt for retail type activities. Supp would like to get this in writing from the Department of Taxation.

Stuart asked how these rates compare to other golf courses. Supp stated that compared to Elko, Spring Creek, and Jackpot, the rates are significantly less but are probably about the same as Battle Mountain. Stuart stated it was her opinion the percentages were a little bit low and need to factor in freight charges. Stuart thought the cost of food should be 35% instead of 30%. Jackson suggested it state “minimum average” of these percentages then the percentages could be adjusted as needed. DelRio stated that when this was taken into account, the City was looking to maintain and not undercut anyone in town or overdue it. DelRio asked if anyone had been talked to in the other businesses in town to see what is being charged and was told no. Jackson added that until the price is known, it is hard to tell what it will be.

Jackson asked about charging for the rental of the clubhouse because all that showed in the resolution was a cleaning fee. Jackson thought it was decided that if the golf course caters the event, the cleaning fee will be all that is charged but it did not specify that in the resolution. It does state that activities not related to golf are subject to fees and those fees need to be spelled out. Stuart thought if a cleaning fee were paid and the building is left clean, the fee would be refunded. Supp did not think it was a refundable fee as the cleaning fee would be the fee and need to add that the cleaning fee is non-refundable. Stuart thought that would be an adequate fee and would be too steep if a rental fee were added on top of the cleaning fee. Supp will make the requested changes and bring the resolution back.

UPDATES ON REMODEL OF CLUB HOUSE AND QUOTES ON HEATING AND AIR CONDITION SYSTEMS AND MATTERS THEREOF

Supp stated she had not received any quotes yet and one out of the three contacted has declined to give a quote. Supp did have Glen Palmer lay out the bathrooms one more time to make sure there is compliance with occupancy and ADA accessibility. Supp continued that the City does comply but there could be a couple more changes. Supp does not like how the door is lined up with the urinal and there was discussion of the bathrooms being unisex. The partitions between the bathrooms are expensive and it may cost less to frame them and will leave this decision up to Pengelly. Supp did put together some numbers showing the budget and the various costs. Supp added that after the storm this weekend, the roof is leaking in at least six places. The roof is a priority and needs to be moved up on the list ahead of the heating and air conditioning. Supp thinks if the remodel on the elevated area and the roof gets done, all of these other items can wait until after July 1, 2018 for the new budget. Stuart suggested that maybe the Golf Association could have fundraisers to help with the cost.

Dixon Builders provided a quote for the roof two years ago of \$27,000. Shell Creek Construction will be in town tomorrow and Nevada Cornerstone has been asked for a quote. Time is of the essence because drywall can't be put in until the leaks are fixed. Pengelly said a contractor needs to come in and get the roof done in a week to be able to continue with the remodel. Walz suggested the City could get a short term loan.

DISCUSSION REGARDING THE 2018 MAIN STREET CONFERENCE MARCH 26-28, 2017. DISCUSSION OF POSSIBLE GOALS FOR A LOCAL GROUP TO IDENTIFY

Supp began at the CDBG presentation two weeks ago, one of the questions was if the City of Wells was a member of the Main Street Program. In discussion with Jackson, discussion went to goals and getting a vision of what Main Street should look like. Pengelly and Supp thought they would pay a visit to the new District Manager at NDOT to discuss the City of Wells taking over the maintenance of Sixth Street. Supp was bringing this Main Street conference to the Board's attention to see if anyone should go to learn more about the program or if goals should be discussed and identified at the local level. Jackson thought one of the first things that needs to be done is to meet with NDOT to see if changes can be made to Main Street. Right now, the City doesn't have the authority to make it look more like a Main Street or name it Main Street. Jackson thinks there is a lot involved to get to that point. Jackson thinks anyone can come up with ideas of how Main Street should look and join the Main Street Program in the future.

Supp wanted to know if the Board wanted Supp to pick a local group or if the Board wanted to select a committee. Supp continued that if the Board appoints a committee, there will be a need for meeting minutes, agendas and to follow the open meeting law. Stuart stated there is a lot to be considered and one of the pitfalls is NDOT and their

stringent regulations. Until something is done about that, there are not a lot of options. The City can have a vision and sell that vision to NDOT. Supp thinks Main Street could help with that vision as well as the funding. Supp thinks if the City can take over Sixth Street from NDOT, then NDOT has no say but all of the cost of maintenance goes on the City and would get more fuel tax money because there are more road miles. An analysis needs to be done and a report prepared for the Board before a good decision can be made.

Jackson thinks it would be beneficial to go to the conference but if NDOT isn't willing to budge, there is no reason to continue. The City needs to know if this is something that is doable and is the first step as to if the City can financially handle it. If the City can't financially take on Sixth Street, the conference is a moot point. Walz stated the Main Street Program is not just about the road, it is about economic development and activities downtown. Jackson added it is very limited what you can do with economic development with what NDOT will allow on Sixth Street. Stuart thinks the more you can learn, the better you are because then you can put that knowledge into future plans. Walz stated the next step should be to find out what it takes to take over Sixth Street and find out what NDOT's maintenance fees have been for that street. NDOT might be willing to give up the road but the City may not be able to afford it.

Denny Stanhope asked what has come from the City asking NDOT to start using Humboldt Avenue as their access to the state yard and shut off access to Wells Avenue. Supp stated there is a new District Engineer and Pengelly and Supp would like to go visit with him about that as well as taking over Sixth Street. Supp stated the City has a list to go over with the District Engineer and will meet with him before Wells Avenue is paved.

Stuart asked if Better City has worked with any programs like the Main Street program. Supp stated that Better City attended the League of Cities Conference, sat on the Main Street panel and spoke in favor of the Main Street Program. Jackson thinks a lot of this can be done without putting out a bunch of money to other people telling us what to do. There are a lot of people that have good ideas. Walz stated doing nothing is not the solution. Supp asked if the Board wanted to form a local group or should Pengelly and Supp go to NDOT and find out what is spent on maintenance of Sixth Street. Jackson thought more information from NDOT would be best before moving forward. If there is no way the City can feasibly take over Sixth Street, there needs to be other plans. Walz would like to get more businesses downtown and get people to come to the downtown area. Stuart mentioned there were twenty five hundred visitors at the Chamber of Commerce last year and thought that was pretty good.

CLAIMS COMMITTEE REPORT; ACTION TO APPROVE FINANCIAL STATEMENTS

Stuart made a motion to approve Warrant Register dated November 15, 2017 to November 28, 2017 in the amount of \$91,710.46. Jackson seconded the motion and the motion passed unanimously.

COUNCILMEN'S REPORTS

Jackson stated the next meeting will be her last meeting before she leaves for training. There is a way for Jackson to attend the meetings by phone but it will be difficult and will probably not be able to attend most of the meetings. If Jackson is needed at a meeting for there to be a quorum or if there is a very big topic, will try to participate when she can. If she is needed for a quorum, she needs to be advised to find a room to call from. Supp asked Jackson to contact the City when she sees something on the agenda that she would like to be involved in. Jackson fly's out January 7, 2017 and fly's back March 16, 2017.

Stuart reminded everyone that the Decadent Desserts is tomorrow at the pool from 5 p.m. to 7 p.m. for \$5.00 and is a fundraiser for the museum.

STAFF REPORTS

Supp began that the tree festival is going on this week. Lunch tomorrow is hosted by the pool and the next day by the Senior Center. There are a lot of activities going on.

Supp met with Better City today who has received permission to use the name Crystal Lagoons to approach development communities. Crystal Lagoons believes in using tax growth to fund their development. Better City is ready to come out and reveal their plan to the Board. It was decided to have a special meeting on December 4, 2017 at 4:30 p.m.

Supp has been receiving several calls regarding licensing a marijuana dispensary. Wells, West Wendover and Carson City are the only three cities left that are eligible for a dispensary. State law requires them to have a letter from an incorporated city endorsing the issuance by December 4, 2017 to the Department of Taxation. Supp wanted to know how the Board felt about this. Supp continued that if the Board was going to allow this, there is a need for a lot of information. There are two different groups interested but only one would be allowed. The City of Wells would get 3% of the gross revenue in business license fees. Better City felt that the economic impacts would be a ten year flash and the Federal Government would either say it could be done across the country or it can't be done anywhere. Canada is looking at legalizing marijuana in 2018. Jackson doesn't think 3% will come close to covering what it will cost in cleanup, law enforcement and everything that comes with a marijuana dispensary. The Mayor suggested cultivation and production may be more enticing and a better fit for the community. The licensing process for cultivation and production does not open with Department of Taxation until January 2-16, 2018.

DelRio is concerned about the impacts with this type of business; the retail of it when it comes to law enforcement and the baggage that comes along with it. Supp stated that the Department of Taxation has not established all of the rules for recreational marijuana sales. Walz has serious reservations about it and feels cultivation might be the opportunity for Wells to gain financially in the marijuana industry without having to suffer the consequences of a dispensary. Walz has concerns about the clientele of a

marijuana dispensary. Wells won't just get people who live in Wells, but the majority could be people passing through Wells and taking it to states where it is illegal.

Elko County allowed the incorporated cities to decide what they want. Elko and Carlin, by resolution, adopted a no decision for a two year moratorium. Only two dispensaries are allowed in Elko County based on population. Wendover and Jackpot both want a dispensary. Supp added there are a lot of things that are not known. If the Board is not interested, there is no reason to have a special meeting with these two groups. Stuart saw what it did to Amsterdam and it was not good. Supp added that December 4, 2017 is the deadline to turn in the ninety page application along with additional documents.

Bailey Homes has submitted plans for a three bedroom starter home in Pacific Addition. Supp had an inquiry on property in the Industrial Park today but doesn't know what it was for. The inquiry was from an Elko Realtor who was not aware that Wells had that much real estate available with infrastructure.

The audit is complete and the presentation will be at the next meeting.

Pam Boorda is retiring from NNRDA and will be here on Monday with Sheldon Mudd, her replacement, to discuss our strategic plan and our community. Supp stated Boorda has worked very hard to be in Wells, help Wells, know what is going on in Wells and does not want it to stop with the change. Supp told Boorda that Mudd has been at the Long Canyon mine site at least a dozen times and has never stopped at City Hall and that will have to change if NNRDA wants the City of Wells involved in NNRDA.

Supp will be attending a social media and website design class tomorrow in Elko.

There is still more geothermal work going on and hope to have an update in two weeks. High Desert Engineering will be here tomorrow to determine exactly where the property line is. Supp has had two different people approach her to purchase that property if interested in selling. The Bakes' would not break it down and would only sell both parcels together. If the City is willing to break it down and sell it off in pieces, there could be potential buyers but the City is not ready to do that and not recommending it.

CITIZENS TO ADDRESS THE COUNCIL

There were none.

ADJOURNMENT

The meeting adjourned at 8:33 p.m.

LAYLA M. WALZ, Mayor

ATTEST:

JOLENE M. SUPP, City Manager/Clerk