

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

**CALL TO ORDER**

Date: Tuesday, December 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  
Laura Moore-DelRio, Councilwoman  
Yvonne Stuart, Councilwoman

Absent: Tamrah Jackson, Councilwoman

Quorum: Yes

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

**PLEDGE OF ALLEGIANCE**

Councilwoman Stuart led everyone in the Pledge of Allegiance.

**APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

DelRio made a motion to approve meeting minutes of November 28, 2017. Stuart seconded the motion and the motion passed unanimously.

**CITIZENS TO ADDRESS THE COUNCIL**

There were none.

**DISCUSSION AND POSSIBLE ACTION TO APPOINT CANDIDATE TO FILL  
VACATED SEAT OF COUNCILWOMAN FULLER. CITY CLERK JOLENE  
SUPP TO SWEAR IN APPOINTED COUNCIL PERSON**

Minutes of Wells City Council  
Meeting of December 12, 2017

Walz stated that two letters of interest had been received. One was from Michael Pace who regularly attends the meetings and is a deputy with Elko County. The other letter is from Doug Gadd who has been a citizen of Wells for several years. Walz stated her preference is to select the member who has the most experience and has been to the most meetings which would be Pace. Stuart stated she has seen Pace at several meetings and thinks he is well qualified. Stuart made a motion to appoint Michael Pace to fill the vacated seat of Councilwoman Fuller. DelRio seconded the motion and the motion passed unanimously. Supp swore Pace in and Pace took a seat at the table.

### **PRESENTATION OF 2016-2017 AUDIT BY EIDE BAILLY AND ACTION TO ACCEPT FINANCIAL REPORT**

Teri Gage, partner with Eide Bailly was at the meeting to present the June 2017 audit report. Gage stated that the City of Wells has a clean opinion. There were two violations where expenditures exceeded the budget. One was in community support and the other in the sanitation fund. Stuart made a motion to accept the audit report by Eide Bailly. DelRio seconded the motion and the motion passed unanimously.

### **DISCUSSION AND ACTION TO ACCEPT OR DENY APPLICATION FOR SPECIAL USE TO ALLOW NONCONFORMING ACCESSORY BUILDING AND TO CONSTRUCT GARAGE OR OTHER ACCESSORY BUILDING WITHOUT A PERMISSIBLE MAIN BUILDING AT PACIFIC ADDITION NO. 2 LOT 12 BLOCK C, APN # 002-743-012, MICHAEL AND CATHY SEECH**

Supp stated that Mr. Seech was at the meeting. Seech is working on combining his two lots as it is against city code to put an accessory building on a lot before the main building. Seech has put a storage container on his lot and has painted it. Seech eventually plans to put a window, door and a pitched roof on it as well as install a fence, and put rock and base around it. Seech has talked to the neighbors who do not have a problem with his plans. Currently, this type of container does not conform to city code. Stuart would like to see a drawing and there be a time frame for this work to be done.

Supp stated this is not the first application the City has received or will receive. There have been commercial and residential residents that have wanted to put these containers on their property. Supp stated special use permits can be filled out each time and taken on a case by case basis if that is what the Board would like. Supp has also talked to Seech about helping the City write an ordinance to set the standard for what these containers should look like. DelRio stated the storage containers are a new trend and are being made into small homes and it would be nice to have some type of ordinance in place. Pace added that these containers are fairly inexpensive and will last a lot longer than most storage sheds. Stuart made a motion to grant the special use permit with the stipulation that the lots be combined, a door, window and possible roof installed within a two year time frame and a letter of intent. DelRio seconded the motion and the motion passed unanimously.

**PRESENTATION, COMMENTS, DISCUSSION AND POSSIBLE ACTION TO ISSUE OR DENY LETTER OF ENDORSEMENT FOR ONE MEDICAL MARIJUANA CULTIVATION AND PROCESSING ESTABLISHMENT; ENDORSING TO THE DEPARTMENT OF TAXATION AN ESTABLISHMENT IN THE CITY OF WELLS. POSSIBLE ACTION TO REQUEST PROPOSALS**

Walz stated that there were letters in the packets from two different groups interested in cultivating marijuana. One group from Idaho was at the meeting to make a presentation to the Board. Anthony Soto representing Lynch Oil from Burley Idaho, Nick Lynch, Vice President of Triple S Oil and Scott Lynch, President of Lynch Oil all came forward. Soto stated Lynch Oil was seeking a letter of endorsement from the City of Wells to make an investment within the City of Wells for a marijuana cultivation facility. Soto gave some history on Lynch Oil, a family oriented business founded in 1923. This facility would not be accessible to the general public and would be cultivation only with no plans for a retail outlet. DelRio would like to see a detailed security plan not only for the employees at the facility but for the community.

Supp stated that the Board can request proposals from anyone who would like to submit a proposal. Walz added that the proposals would then be reviewed and a decision made at the next meeting. The Board would like to see a detailed business plan, where this may be five years down the road, a security plan, remediation for anything that could go wrong and cleanup costs if the business ends up closing for some reason. There is still a lot of unknown but there should be no problem presenting a business plan which is part of the application. DelRio made a motion to accept proposals for the cultivation of marijuana in the city limits as well as a detailed business plan submitted with the proposals. Stuart seconded the motion and the motion passed unanimously.

Supp added that staff will be working with legal counsel, the Lynch's and their legal counsel as well as others who have prepared proposals to write a letter of endorsement. Upon reviewing the proposals in January, proposals could be evaluated and a letter of endorsement approved.

**DISCUSSION AND ACTION TO SELECT OR REJECT BID(S) FOR THE EL RANCHO HOTEL STABILIZATION**

Supp began that one bid was received for the El Rancho. The engineers estimate for that project was \$170,000 and the bid was \$779,000 from Schell Creek Construction for stabilization only. Supp recommends that the bid be rejected. Glen Palmer has reviewed the bid and fills the same way and has sent his plans to Abstract Masonry to review them one more time and see why this bid was so much higher. Glen Palmer suggested putting it back out to bid after he has had it reviewed. Stuart made a motion to reject the bid for the El Rancho from Schell Creek and put it out for new bids. DelRio seconded the motion and the motion passed unanimously.

## **DISCUSSION AND UPDATE ON REMEDIATION PROCESS AND COSTS AND POSSIBLE ACTION TO PURCHASE FEARLESS FARRIS STINKER STATION FOR \$25,000**

Walz had asked Supp to put this item back on the agenda. After the Better City presentation, there is a different perspective as to how this fits into the development and remediation. Supp contacted Tracy Johnston from McGinley & Associates as well as Jeff Collins from NDEP. Collins reviewed Johnston's recommendations and said the analysis was worst case scenario but covered all the bases. If the Board acted on this property right now, it might not be needed for five years for the Redevelopment Agency; that would be five years of monitoring and quarterly reports. There are lots of different ways to remediate property. If there is no hurry to get it cleaned up, it would be less expensive than if the property needed to be cleaned up in a year. There may be a possibility of getting a grant for the cleanup work. This could be eligible for a Brownsfield grant but not for private property owners. If the City purchases the property, Johnston will come out in January and re-evaluate the monitoring well. The monitoring wells were last sampled in 2011. Pace thinks updated numbers are needed on the monitoring well. Stuart made a motion to table the Fearless Farris Stinker Station for reassessment in January. DelRio seconded the motion and the motion passed unanimously.

## **PUBLIC COMMENT, DISCUSSION AND POSSIBLE ACTION TO SELECT CDBG GRANT TO SUBMIT TO THE STATE OF NEVADA CDBG PROGRAM FOR 2018 AND TO COMMIT MATCHING FUNDS IF ANY**

Supp began that the 2018 grant is exactly the same as the second round 2017 grant; to purchase land in the Redevelopment Agency. Supp had a teleconference today with Better City. Adam recommended removing the Pruett Tire building from the plan as there are new occupants in that building and reducing the amount of the grant. The grant has to be submitted electronically to the State this Friday for review and presentation will be in March. DelRio made a motion to submit the CDBG grant for 2018. Pace 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 November 1, 2017 to November 30, 2017 in the amount of \$37,162.25. DelRio seconded the motion and the motion passed unanimously. Stuart made a motion to approve Warrant Register dated November 29, 2017 to December 12, 2017 in the amount of \$80,333.55. DelRio seconded the motion and the motion passed unanimously.

## **COUNCILMEN'S REPORTS**

Stuart attended the Elko County Recreation Board meeting today. There was a question regarding the \$1,000 request for the Family Resource golf tournament and why the

request was made. Stuart stated it was a fundraiser for the Resource Center and to bring people from out of town to support the event. A request was made to fill out an events report after each event that a donation from the Rec Board has been used. Stuart stated that Wells does not use money from the Rec Board just for events and uses the money to bring people to town and to the visitor's center. Stuart was told that Wendover is getting money to staff their visitor's center and maybe Wells can do that as well. There will be reports after the events to see if they were successful.

Stuart taught a high school class in economic development on what it takes to be an entrepreneur. Some of the students were interested in City Council as it came up in the discussion. Stuart thought it would be nice to get high school students involved and for them to see what is done at Council meetings. Walz stated the City of West Wendover has a youth council that interacts with the City Council and would like to get it started in Wells.

Walz added the city lights look amazing.

## **STAFF REPORTS**

Supp stated the resolution for the golf course fees was not included in the agenda tonight because there is still time to work on the resolution before golfing season. Supp and Huff talked to a company called Teeoff.com that is through pga.com. There is an app you can get on your phone that will allow tee times and carts to be booked. Teeoff.com will receive 15% of the revenue when booked through them with no set up fee or annual fee. If the City of Wells website is used to book a tee time, there is no charge. There is also a mobile app available so your phone will notify you when you get close to a golf course. Supp would like to try this website since it is free if nothing is booked through it. Spring Creek uses this website that shows all golf courses within 75 miles.

A parade of lights will be held December 21, 2017 at 5 p.m. Santa will be on the fire truck. There will be hot chocolate and coffee served at City Hall.

Supp showed the Board a trophy the Goldiggers gave to the City for providing a picnic at the park for them after their race. This race has been nominated for the race of the year. There are plans to come back next year.

Work is being done on putting all of the building codes and checklists on the website.

Supp has tried contacting the UPRR in regards to Denny Stanhope's inquiry on work on the drainage issues in town that occurred during the flood but has had no luck.

Supp will be out of the office December 19-21, 2017 to attend her daughter's graduation from med school.

Pengelly reported that progress is being made at the golf course and there is still a need for a roof. Huff has been out helping as well. Stuart told Pengelly she has a name of a contractor out of Salt Lake City that she has experience with and will give him that information.

Iveson stated that City Hall will be closed December 25-26, 2017 as well as January 1, 2018.

Justus informed the Council that financial disclosures are due January 15, 2018.

### **CITIZENS TO ADDRESS THE COUNCIL**

Stanhope stated that he had asked a few people around town if there were any suggestions for the CDBG grant and was told that the City was doing a good job utilizing grants.

### **ADJOURNMENT**

The meeting adjourned at 9:01 p.m.

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**LAYLA M. WALZ**, Mayor

ATTEST:

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