

**MINUTES OF WELLS CITY COUNCIL
MEETING OF FEBRUARY 22, 2022**

CALL TO ORDER

Date: Tuesday, February 22, 2022
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
Robert Woolsey, Vice-Mayor
Laura Moore-DelRio, Councilwoman
Chris Micheli, Councilman

Absent: Jonathan Goolsby, Councilman

Quorum: Yes

Staff Present: Samantha Nance, City Clerk
Jason Pengelly, Public Works Director
Jordan Tilley, City Manager
Patti Zander, Deputy Clerk

PLEDGE OF ALLEGIANCE

Mayor Walz led everyone in the Pledge of Allegiance.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS

Councilman Micheli made a motion to approve meeting minutes dated February 8, 2022. Councilman Woolsey provided the second and motion passed unanimously.

CITIZENS TO ADDRESS THE COUNCIL

Denny Stanhope requested that everyone speak up tonight when discussing the tax item on the agenda. Stanhope wanted to make sure he was able to hear the entire discussion because citizens ask him questions.

Jamie Calton, representing the Chamber of Commerce, asked if it would be possible to put a link for the Wells Chamber of Commerce page on the city website. Everyone thought it was a good idea.

DISCUSSION AND POSSIBLE ACTION TO DENY OR APPROVE WATER LEAK CREDIT FOR KENNETH & MICHELLE PETERSON

Walz stated that Pengelly had mentioned this previously and the leak was fixed when found. Walz added that a larger credit is being requested, more than the maximum amount. Woolsey added the limit was set at \$250 and feels the Petersons meet the credit criteria but doesn't think the credit can be more than \$250. DelRio questioned whether this met the criteria of the form because meters were not being read.

Woolsey stated leaks in the summer are caught because meters are being read. The amount of \$250 was agreed upon by the board when the form was made. Walz added no resolution or ordinance was passed and thought this form was more of a guideline and the amount could be at the will of the Council. Woolsey stated it is right on the form and wondered if the council wanted to remove that and do case-by-case. DelRio stated that is why this form was made, to get rid of the case-by-case.

Woolsey sympathizes but stated if the next leak credit comes in at \$340, do we pay the whole thing. Woolsey thought Petersons met all the criteria to qualify for a leak credit but there is a clause that specifically states the maximum amount is \$250 and if that is exceeded, is concerned it will set a precedence and go back to case-by-case. Micheli agreed with the form as is. Woolsey added that with the form stating \$250 as the maximum, that is what should be expected. Woolsey made a motion to approve Kenneth & Michelle Peterson for a water credit in the amount of \$250 as stated on the form. Micheli provided the second and motion passed unanimously.

PUBLIC HEARING ON BUSINESS IMPACT STATEMENT FOR ADOPTION OF RESOLUTION 22-01, SOLID WASTE USER RATE FEES, AMENDING THE PICKUP FEE. THIS IS AN OPPORTUNITY TO HEAR COMMENTS FROM THE PUBLIC

Jared Martin from Elko Sanitation began that the contract with the City of Wells was renewed four years ago and there was an increase at that time. The contract states an increase can be requested every two years. Two years ago was when COVID struck and Elko Sanitation, companywide, opted not to pursue a price increase. Everything is going up. The increase for residential with one tipper will go up \$1.02 a month. Elko Sanitation goes by the CPI minus one and this was based on December to December. Woolsey thought it was a normal cost of living increase. Martin added that their offices would be opening back up in a couple of weeks.

Walz added that the sanitation fund is an enterprise fund that cannot be supplemented and must be self-sustaining per NRS. Woolsey made a motion to adopt the Business Impact

Statement of Resolution 22-01, solid waste user rate fees, amending the pickup fee. DelRio provided the second and motion passed unanimously.

DISCUSSION AND POSSIBLE ACTION TO APPROVE PROPERTY TAX INCREASE FOR FISCAL YEAR 2022-2023 FOR THE CITY OF WELLS AD VALOREM TAX

Walz began that the Elko County School District has a .75 cents pay-as-you-go property tax that was defeated. Now, the city can absorb that .75 cents in the City of Wells ad valorem tax. Elko County is absorbing .50 cents of that .75 cents which leaves .25 cents available. The recommendation is to take .20 cents of the .25 cents available.

Staff had a conversation with Elko City Manager Curtis Caulder. Elko and Wells both increased property tax last year foreseeing that the pay-as-you-go was going to fail. Elko increased by .17 cents and Wells by 19 cents. Caulder is suggesting that if the city took the full .25 cents, a portion of that will be abated. When the projections come out, if too much is being deducted from what is received due to abatement, the amount can always be changed before the final budget is due. Nance contacted our tax analyst who thought the same way but suggested starting with .05 cents and see how much was abated. Adjustments can be made until June 1st.

Carlin and West Wendover also chose .20 cents. If the city takes the full .25 cents, none of the residents get a break on their property taxes. DelRio questioned taking the .05 cents and working up from the .05 cents which is what the tax analyst recommended. It can work either way. Nance stated Wells is at our cap of 3.66%. The school district is still getting it's .75 cents. If Wells does nothing, there is still .25 cents on the table. The county is the only one who can take that away from us. This will raise taxes but not the net taxes. Tilley stated on page ten of the handout, it is broken down how much Wells will get and how much the county will get. Wells would get roughly an additional \$70,000 in revenue.

This extra revenue can go towards some of those projects that there is never enough money to finish or towards the wish list. Walz thinks the wish list needs to be prioritized. Woolsey thinks the opportunity to get extra money without raising the taxpayers' taxes doesn't come along very often. DelRio is all for not raising taxes for the citizens but for keeping that .20 cents. Woolsey thinks the city should start at .20 cents. The city can always work down and not open the door for others to take a larger amount.

This money would go into the general fund and can be transferred to other funds as needed. Nance thinks a plan needs to be made as to what these funds will be used for. DelRio stated that the list of projects needs to be brought back to earmark this money and work through the list. Stanhope wants the council to make sure the public understands how this came about and what is going to happen. A lot of people are confused already and thinks this is a property tax. Stanhope would like to come and talk to Tilley to be able to understand this better so he can provide answers when citizens talk to him and ask him questions.

Nance wanted to clarify being at our cap. July 1st is when the pay-as-you-go ends so then we would fall under our cap by .75 cents. Whatever decision is made tonight will not go into effect until July 1st. Tilley added that there have been a lot of articles in the Elko Daily Free Press over the last few weeks that explains this. DelRio made a motion to approve the property tax increase for the .20 cents for FY 22-23 in the City of Wells Ad Valorem tax. Micheli provided the second and motion passed unanimously.

DISCUSSION ON FISCAL YEAR 22-23 BUDGET

Nance began that this is our first discussion on the budget. The tentative budget is not due until April 15th so this will be on the agenda for a few more meetings. The final budget is due June 1st. Nance went over the major changes. Pengelly brought up the senior center and how it is not going to get built with the money available. A bid was received today for \$247,000 just for the framing and the roof. Pengelly thinks it is going to cost \$500,000 to \$600,000 to finish the new senior center. Pengelly added it needs to be bid out to see how far we can get with the money available. Better City will start looking for grants when it finishes with the housing study. There is \$350,000 available from the CDBG grant but will probably need another \$350,000 to finish. This is an important project that needs to be finished. Walz suggested checking with the USDA for money to complete the senior center. Beth Savedra asked about County ARPA funds. Tilley stated the county has not opened back up the opportunity to submit for some of the county funds.

DISCUSSION AND POSSIBLE ACTION TO APPROVE UP TO \$5,000 MAPPING COST ESTIMATE TO HANSEN, ALLEN AND LUCE TO PREPARE FEMA HYDROLOGY CHALLENGE AND OTHER MATTERS PERTAINING THERETO

Tilley began that FEMA has a new proposed map. FEMA would like us to show, based on their hydrology models, what this new map should look like. To challenge FEMA successfully, the city needs mapping and hydrology numbers to submit to FEMA. Because this area is our RDA designated area, a letter needs to be submitted showing what the plans are for this area and how nothing can be done with it with this new mapping. Showing what our economic plans were will also add some weight to this challenge to do this new mapping.

Walz does not think FEMA is considering the amount of work that was done after it flooded. So much was done to bring this area out of the flood zone and reroute the water. Tilley added that Hansen, Allen and Luce have had their surveyor out this past week for the drainage ditch project and working to show the changes through this section. Walz added a map needs to be submitted with the challenge. This \$5,000 will be used to develop a map to include with our hydrology challenge to FEMA. Walz thinks it is important to challenge and should not walk away. DelRio made a motion to approve the \$5,000 mapping cost estimate to Hansen, Allen and Luce to prepare the FEMA hydrology challenge and other matters pertaining thereto. Woolsey provided the second and motion passed unanimously.

DISCUSSION AND POSSIBLE ACTION TO SET A RETAINER/CONTRACT FOR JOLENE SUPP

Tilley stated that Supp cannot receive any payment from the city for ninety days after her benefits have been paid out as it will affect her PERS. Supp will be done either the end of this month or next month.

CLAIMS COMMITTEE REPORT: ACTION TO APPROVE FINANCIAL STATEMENTS

Woolsey made a motion to approve the Warrant Register dated February 10, 2022 through February 22, 2022 in the amount of \$107,560.61. DelRio provided the second and motion passed unanimously.

COUNCILMEN'S REPORTS

Woolsey wanted to recognize and congratulate the wrestlers on their season. Wrestlers did something they haven't done for several years which was to compete as a team for a state title. The girls' basketball team will be competing in Las Vegas for state and Woolsey wished them good luck.

DelRio stated that PAL basketball is winding down and getting ready for city league softball and baseball.

Walz stated she received a phone call Tuesday afternoon from Nevada Gold informing her that they were going to announce to their employees their intention to sell Long Canyon. There is still a bunch of gold out there and it is very viable. Long Canyon does not meet the portfolio for Barrick Gold who will not continue to pursue this venture. Walz is hopeful it will sell and continue to produce gold well into the future.

Walz congratulated the wrestlers and wished the girl's good luck. Walz added that Nevada Gold approved the Wells Main Street \$100,000 community development grant to purchase one of the downtown buildings to turn into a strip mall. No one knows what that organization looks like for the City of Wells and the City of West Wendover going forward as their mine is no longer going to be in this community.

STAFF REPORTS

Tilley stated four grants have been applied for; the CCCHP for the El Rancho, CDBG for the retail center for Main Street, Woodhills Trail and the sewer headworks. Legal Counsel is working on the nuisance code which will deal with code enforcement and will also include language on the vacant lot registry. Tilley will have a phone call tomorrow regarding moving some of the dirt from the Fearless Farris property. It looks like it will be taken to the old landfill. Tilley wanted to let Woolsey know what it would cost to open the transfer station more often than the normal six month period. There are no specific numbers but the bill is usually \$2,000 more than when it is closed.

Minutes of Wells City Council
Meeting of February 22, 2022

Nance reminded everyone of the rabies clinic on Saturday from 10 a.m. to 1 p.m. Filing dates for the two positions for council are March 7, 2022 through March 18, 2022.

Judge Ken Calton stated he has submitted his budget which included another full-time position. The decisions the legislature has made will impact the county and each court. Calton will be switching with all the other justices because all will have to work weekends and holidays. Anyone who gets arrested will have to be seen within 48 hours of the arrest. With the new civil citation bill, all traffic offenses are civil. There are between 25,000 – 30,000 warrants that must be cleared by June 30, 2023. One warrant can take 3 to 5 days because there are 3 different agencies involved. Calton was asked for capital improvement and a new courthouse was on the list or enlarging the current building. Domestic Violence jury trials will be requiring twelve jurors plus an alternate which doubles what was required before. Trying to fit sixty people in the courthouse is not possible. Calton has trials that have been on hold for two years due to COVID. Calton will not put people in a situation where they are crowded into a small space. Calton had plans drawn up to add on to the current building before COVID. The addition was two parking spots short due to city code specifying how many parking spots are needed based on the size of the building. Major crime in Elko County is way up.

CITIZENS TO ADDRESS THE COUNCIL

Jared Martin mentioned that Supp had requested a donation for Main Street and a \$5,000 donation has been approved.

ADJOURNMENT

The meeting adjourned at 8:27 p.m.

LAYLA M. WALZ, Mayor

ATTEST:

SAMANTHA NANCE, City Clerk