

**MINUTES OF WELLS CITY COUNCIL  
MEETING OF DECEMBER 13, 2022**

**CALL TO ORDER**

Date: Tuesday, December 13, 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  
Laura Moore-DelRio, Councilwoman  
Chris Micheli, Councilman

Absent: Robert Woolsey, Vice-Mayor  
Jonathan Goolsby, Councilman

Quorum: Yes

Staff Present: Samantha Nance, City Clerk  
Jason Pengelly, City Manager  
Tony Prado, Public Works  
Glen Shamblin, Public Works  
Patti Zander, Deputy Clerk

**PLEDGE OF ALLEGIANCE**

Mayor Layla Walz led everyone in the Pledge of Allegiance.

**APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

Micheli made a motion to approve meeting minutes dated November 22, 2022. Del Rio provided the second and motion passed unanimously.

**CITIZENS TO ADDRESS THE COUNCIL**

Charlie Crain from Vocational Rehab introduced himself. Crain met with Woolsey a couple of weeks ago regarding helping people with all types of disabilities learn various vocational skills. Crain stated that Vocational Rehab just hired a couple more counselors and is associated with Job Connect.

Elko County Sheriff Aitor Narvaiza wanted to give an update on things going on in the county. So far this year, there have been 1,443 cases more than last year. Domestic violence calls are down 75 from the previous year. There have been 59 call outs for search and rescue. Good comments have been received about the Wells deputies. There will be another animal control officer on duty as soon as background is passed so someone will be available seven days a week. This year, the department has been dealing with a lot of fentanyl cases with thirteen deaths that have been confirmed due to fentanyl, cocaine and heroin use. Sixteen pounds of fentanyl has been seized in the last six weeks.

The MDT's (mobile data terminals) were rolled out today and in all the officer's cars. Dispatch went live with them and the new spillman system today. This put the Elko Police Department on the Sheriff Departments system for the first time ever so they will have access to anything ECSD has. The MDTs allow the officers to do their reports on the scene and don't require them to go to the office to complete reports. New stop sticks have also been provided for the officers. There are three positions open in the Sheriff's Department. One of the new hires is from the Las Vegas metro and is originally from Jackpot and will be stationed in Jackpot.

Phyllis Freeman asked why the snow needs to be plowed into the middle of the road. That makes it so you have to go to the end of the road to get on the other side on Tobar and Hogan. Freeman asked why the snow can't be moved to the golf course. Pengelly stated that will eventually be done.

Bobbi Morgan stated there are so many junk cars on the side of the road and with the snow in the middle of the road, it makes it difficult to get around the cars and you almost hit them. There are some on Ruby that have been there for months. Pengelly stated it has been posted on Facebook and on the sign out front to move vehicles off the streets. Pengelly stated if the vehicles aren't registered, they can be towed. Pengelly will take a drive around and make some notes of where these vehicles are and will have the guys make a list when out plowing.

**Second reading of Ordinance No. 239 – AN ORDINANCE AMENDING TITLE 8, TRAFFIC REGULATIONS OF THE WELLS CITY CODE ENTITLED “2022 TRAFFIC CODE AMENDMENT,” REPEALING THE FORMER TITLE 8, ADOPTING THE LAWS OF THE STATE OF NEVADA CONCERNING TRAFFIC LAWS GENERALLY, PROVIDING FOR THE GREAT MAJORITY OF VIOLATIONS TO BE PUNISHABLE BY CIVIL INFRACTIONS AS REQUIRED BY RECENT CHANGES TO STATE LAW, RE-ADOPTING CERTAIN TRAFFIC LAWS OF LOCAL CONCERN, IF ANY, AMENDING THE GENERAL PENALTY CODE IN TITLE 1, CHAPTER 4 CONCERNING APPROPRIATE PENALTIES AND PROVIDING OTHER MATTERS APPROPRIATELY RELATED THERETO**

Walz began that this is the second reading to update the code so it will follow the State of Nevada code changes. Micheli made a motion to accept Ordinance No. 239 amending

Title 8, Traffic Regulations of the City of Wells. Del Rio provided the second and motion passed unanimously.

**DISCUSSION AND POSSIBLE ACTION TO APPROVE PURCHASES FOR THE WELLS VOLUNTEER FIRE DEPARTMENT FROM CURTIS TOOLS IN THE AMOUNT OF \$39,862.40**

Pengelly stated this is for budgeted equipment for the new ladder truck. The new truck has never been equipped so it can't be operational until these items are purchased. Keven Hall stated he received a quote last April and this quote has gone up \$10,000 since then. It could take seven months to get the hose in and if it isn't ordered by the first of the year, it will go up more. Turnouts are only good for ten years and Hall tries to replace three a year. Hall has been made aware of a FEMA grant available to cover airpicks. Parts are no longer available for the current airpicks. Del Rio made a motion to approve the purchases for the Wells Volunteer Fire Department from Curtis Tools in the amount of \$39,862.40. Micheli provided the second and motion passed unanimously.

**REVIEW, DISCUSSION AND POSSIBLE ACTION TO AMEND PURCHASE AND SALE AGREEMENT WITH PINE WEST DEVELOPMENT, LLC TO INCREASE PORTION OF SALE FROM 2.63 ACRES TO 4.75 ACRES OF PARCEL #002-770-005 AND/OR POSSIBLE REVIEW, DISCUSSION AND APPROVAL OF RESOLUTION 22-13 FINDING THAT IT IS IN THE BEST INTEREST OF THE CITY TO DISPOSE OF CERTAIN REAL PROPERTY WITHOUT OFFERING THE PROPERTY TO THE PUBLIC AND FOR AGREED UPON SALE PRICE FOR THE PURPOSE OF ECONOMIC DEVELOPMENT**

Walz began that Pine West wants more property. A copy of the resolution is in the packet as well as the sale agreement. Pengelly stated the original contract was for Pine West to purchase a piece of city property equaling 2.63 acres. Pine West now wants a total of 4.75 acres. Pengelly had maps available for the public to see and showed what was originally purchased and the new section Pine West wants to purchase. Walz asked about the round-a-bout that was on a prior design and asked if that was still going to be feasible. Pengelly did not think that round-a-bout will work in that area now.

The previous property had already been appraised so a new appraisal won't be needed. Walz added that the city originally had a total of seven acres so there will still be a small triangle section left in the flood zone. The original agreement was \$55,001. With the additional acreage, it will be approximately \$99,336.41. Pine West has received their DOT permit. Pengelly added that ground will be broken in one and a half to two years for this project. Del Rio made a motion to approve the purchase and sale agreement with Pine West Development, LLC to increase portion of the sale from 2.63 acres to 4.75 acres of parcel # 002-770-005 and approve Resolution 22-13. Micheli provided the second and motion passed unanimously.

**DISCUSSION AND POSSIBLE ACTION TO CANCEL SECOND COUNCIL MEETING ON DECEMBER 27, 2022**

Walz began that the entire time she has been Mayor, there has never been a second council meeting in December. Walz asked staff if there was a need to have the second meeting. Pengelly added that this agenda will wrap up everything that needed to be done by the first of the year. Micheli made a motion to cancel the second council meeting on December 27, 2022. Del Rio provided the second and motion passed unanimously.

**DISCUSSION AND POSSIBLE ACTION TO CLOSE SENIOR CENTER AND SWIMMING POOL OPERATIONS ON DECEMBER 23, 2022. ALL EMPLOYEES WILL BE EXPECTED TO USE VACATION, FLOATING HOLIDAY OR PERSONAL DAY**

Walz stated that all city operations would be closed the 23<sup>rd</sup> and the 26<sup>th</sup> with the 26<sup>th</sup> being the recognized holiday. Pengelly added that the employees who work the 4 – 10 schedules get Friday off anyway where the pool and senior center work on Friday. Del Rio was concerned about the seniors not getting their meals. Nance stated that meals are usually delivered on Friday for the weekend so in this case, that will take place on Thursday. Micheli made a motion to close the senior center and swimming pool operations on December 23, 2022. Del Rio provided the second and motion passed unanimously.

**DISCUSSION AND REVIEW OF GOLF COURSE REVENUES AND EXPENDITURES FOR NOVEMBER 2021 THROUGH OCTOBER 31, 2022**

Nance began that a breakdown of the income and expenses was provided in the packet. The income for 2022 was \$118,035.35 where the previous year was \$122,000. Expenses for the bar, café and pro shop was \$44,000 and last year was \$41,000. Income at the end of the year on those items was \$73,000. Contract labor is \$57,000 so contract labor was covered as well as any expenses associated with the club house. On the second page was a breakdown of each item. Food was in the red but the bar had a net income of almost \$23,000 so it covered the food. Walz stated she is glad to see the golf course making money which has not always been the case. Walz wonders on the food line item if due to inflation there was so much more expense and maybe didn't adjust the prices to reflect that. Huff stated he wants to check that because it seems off and doesn't think he spent \$17,000 in the café this year and will look at the figures.

**REVIEW, DISCUSSION AND POSSIBLE APPOINTMENT OF DAVID D. LOREMAN OF DAVID LOREMAN LAW OFFICE AS INTERIM DEPUTY CITY ATTORNEY**

Walz began that Tom Coyle who is one of our legal counsels has some recent health issues and due to those health issues, is unable to serve as our legal counsel. Lauren Landa would like the council to appoint David Loreman to handle Coyle's workload with Landa while Coyle is out of commission. Micheli made a motion to appoint David D.

Loreman of David Loreman Law Office as interim deputy city attorney. Del Rio provided the second and motion passed unanimously.

**REVIEW, DISCUSSION AND POSSIBLE APPROVAL AND ADOPTION OF EMPLOYMENT POSITION DESCRIPTION FOR CITY MANAGER**

Walz began that this is Pengelly’s job description that was brought back for council approval. There were questions regarding overlapping duties and separation of duties. Walz has reviewed it and did not see anything that needed to be addressed. Del Rio asked if the city council was doing the performance review and was told yes. Walz had previously talked with Better City who was willing to facilitate that process so that can be considered at the time. Micheli made a motion to approve the employment description for city manager. Del Rio provided the second and motion passed unanimously.

**REVIEW, DISCUSSION AND POSSIBLE APPROVAL OF OFFER LETTER FOR CITY MANAGER, JASON PENGELLY**

Walz had been adamant that there be a contract for the city manager and assistant city manager. Legal Counsel feels that is not necessary nor recommended since most people are moving towards an offer letter. The reason for doing that is that contract employees are not governed by the employee handbook where offer letters mean they are still governed by the employee handbook like all the other employees. Pengelly thinks any employee who works for the city should follow the policy. Pengelly chose to follow that policy and didn’t think it would be right for the city manager to do whatever they want and everyone else follow the policy. Walz was concerned there was the need to protect Pengelly and Nance should something happen if future councils decide to do away with the assistant manager. Walz wanted to make sure Pengelly and Nance were protected and had an exit strategy. Walz thinks the offer letter is better than a contract. Micheli made a motion to approve the offer letter for city manager, Jason Pengelly. Del Rio provided the second and motion passed unanimously.

**REVIEW, DISCUSSION AND POSSIBLE APPROVAL AND ADOPTION OF EMPLOYMENT POSITION DESCRIPTION FOR ASSISTANT CITY MANAGER**

Walz stated this is for Nance and does not have any concerns with the document. Del Rio made a motion to approve the adoption of the employment position description for the assistant city manager. Micheli provided the second and motion passed unanimously.

**REVIEW, DISCUSSION AND POSSIBLE APPROVAL OF OFFER LETTER FOR ASSISTANT CITY MANAGER, SAMANTHA NANCE**

Del Rio questioned why it said at the top, appointment to the position of city clerk. Nance stated that the City of Wells code doesn’t have an appointed position of assistant city manager. Legal Counsel recommended that Nance be appointed as City Clerk with additional administrative duties. Del Rio also asked why Nance had no severance

package. Nance chose not to take a severance package. Pengelly added that if the city code is ever changed to have an appointed position of assistant city manager, a severance package would be put in the contract. Del Rio made a motion to approve the offer letter for Samantha Nance as city clerk and acting assistant city manager. Micheli provided the second and motion passed unanimously.

**DISCUSSION AND POSSIBLE ACTION TO APPROVE OR DENY THE INCREASE IN NEVADA LEAGUE OF CITIES AND MUNICIPALITIES DUES AND AUTHORIZE PAYING MEMBERSHIP FEE**

Walz began that Pengelly was made aware that the council never decided what was going to be paid to the Nevada League of Cities. The dues are now six months past due and something needs to be sent. Del Rio asked if Tilley had attended this conference and what he had to report after attending this conference. Pengelly stated Tilley never reported back to the council. It was stated that Tilley was not impressed and it was a waste of time.

Pengelly called the League of Cities to talk to them about this and asked if the city doesn't want to pay the \$9,000, what would happen and was told nothing would happen. The normal amount is \$1,290. Walz thought Wells was the only city in the region having reservations about paying the huge increase plus it was not budgeted for. Walz stated that this bothers her because all of the revenue is based on our population and then we are gouged because this rate is not based on our population. Pengelly stated it doesn't appear the city will lose anything or gain anything paying the normal amount. Del Rio thinks the city needs to be in contact with Nevada League of Cities regularly to see what they are doing for us. Del Rio would like to see what they are doing for Carlin and Wendover who have paid the additional fee. Del Rio would like to see the city pay the amount that was budgeted for and nothing more. Del Rio made a motion to deny the increase for Nevada League of Cities and pay the \$1,290.68 for our annual dues. Micheli provided the second and motion passed unanimously.

**DISCUSSION AND POSSIBLE ACTION TO INCREASE FOOTPRINT FOR BLM LEASE AGREEMENT FROM 1.1 ACRES TO 2.5 ACRES FOR NEW CONSTRUCTION OF SEAT BASE OPERATIONS**

Pengelly began that BLM currently leases property from the City of Wells at the airport and want to increase that footprint to 2.5 acres for new construction of seat base operations. Pengelly met with Armstrong about this. Armstrong stated this is in line with the master plan for the airport and is not concerned with it at all. Duncan Welch who is the civil engineer for the Elko district stated they are planning to double the capacity as far as being able to load seats at this seat base. BLM also wants to do a better job of environmental containment of the retardant and have the evaporation pits to keep it all in one place. The construction and design will cost 2.1 million dollars. If there are any issues in the design process and this will not be enough money, the project will stop to get more money because this needs to happen either way. Hopefully that will not be the case.

Melissa Fry was also at the meeting and manages the BLM Seat Base. BLM is looking to have more aircraft at the airport. BLM hopes to get two state seats funded from the State of Nevada instead of federal seats that will be parked at the airport for the entire fire season. Walz feels that the BLM has always been good stewards of our airport and is beneficial to the City of Wells. Pengelly agreed that it is nice having the BLM at our airport because they call when anything strange goes on out there. Fry added that the Nevada Division of Forestry has brought on four tankers for this year and will put two in Wells and then the two federal funded tankers will also be here for a total of four with enough staff to cover the four tankers.

Walz asked Nance how this two million would affect the city cash flow. Nance stated she and Pengelly talked with the BLM on the phone about this. The city will pay what it can and will get reimbursed for what is paid. As long as the city stays up on the reimbursement process, the city should be fine.

Fry added that in 2018, there were 747 flights out of Wells. Fry added Wells is huge when it comes to fire suppression for our area. Up to ten tankers can be run out of Wells during a fire that require 300 gallons of fuel per tanker. A tanker can run up to four hours and a lot of fuel is purchased from the Wells airport and BLM loves it here. Walz noticed that the amount for the annual rent was blank. Pengelly stated that currently, the 1.1 acres is leased for \$6,762 a year and it will increase to approximately \$15,246. This contract will go from 2019 to 2049 which is thirty years. Micheli made a motion to increase the footprint for the BLM lease agreement from 1.1 acres to 2.5 acres for new construction of seat base operations and associated costs. Del Rio provided the second and motion passed unanimously.

### **DISCUSSION AND POSSIBLE ACTION TO APPLY FOR GRANT THROUGH THE NEVADA GOLD MINE CDC GRANT PROGRAM**

Walz wanted to disclose that she chairs the CDC Committee for Nevada Gold Mines in an advisory role. Pengelly stated that the city is interested is asking for one million dollars to finish the senior center. Pengelly asked NGM if it was out of line to ask for that much money and was told the city can ask for what it wants but will only receive what it receives. The city wants to move forward with this grant to try to get the new senior center finished. Pengelly added that whatever NGM can give us will help a lot.

There was a short recess at 8:10 p.m. The meeting reconvened at 8:15 p.m.

Del Rio made a motion for staff to apply for the grant for Nevada Gold Mine CDC for one million dollars to finish the senior center. Micheli provided the second and motion passed unanimously.

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

Minutes of Wells City Council  
Meeting of December 13, 2022

Del Rio made a motion to approve Warrant Register dated November 20, 2022 through December 13, 2022 in the amount of \$146,233.85. Micheli provided the second and motion passed unanimously. Micheli made a motion to approve the check register dated November 1, 2022 through November 30, 2022 in the amount of \$26,051.57. Del Rio provided the second and motion passed unanimously.

## **COUNCILMEN'S REPORTS**

Micheli wanted to wish everyone a good Christmas and Happy New Year.

Walz stated it has been an honor, is so grateful for staff, the next new mayor and rests easy knowing the city will be left in caring and diligent hands. Walz appreciates all the hard work everyone has done and wishes all a Merry Christmas and Happy New Year.

## **STAFF REPORTS**

Pengelly reported that there was a broken water line at the clinic in the ceiling with extensive damage. The insurance company had Belfor come out and clean everything out which is already done. The next step is to go out for quotes for the complete remodel. It looks like the X-ray machine survived but it will be taken to Reno for testing to make sure it is still working properly.

Pengelly had a meeting with Better City to be brought up to date with what was being worked on. A housing study has been completed. Better City will reach out to our legislatures for funding for capital projects such as the senior center if enough is not received from the Nevada Gold grant.

The city has been using Bob Morley with High Desert Engineering to work on our water rights for several years. Morley is retiring and recommended Pengelly contact Resource Concepts out of Carson City. Resource Concepts will start the monitoring of our water rights and extensions after Morley's retirement.

Pengelly thanked Walz for working with the city for as long as she has. It has been a long time to serve on one board. Pengelly also wanted to thank Woolsey for his four years of service to the city.

Nance mentioned that the funds for the CDBG grant for the senior center need to be spent by the end of June. The El Rancho CCHP grant is also being worked on to get moving forward and get that work done.

Cameron Huff also wanted to thank Layla for all she has done.

## **CITIZENS TO ADDRESS THE COUNCIL**

Quinn asked where the city stood on getting someone to work in the clinic. Pengelly stated it is still being pursued and have reached out to Nevada Health Centers with a



meeting with them on December 20<sup>th</sup>. Paul Ward with Med X who is now partnered with Intermountain in Utah has also been contacted. Better City also has contacts with Intermountain and hope to get a yes or a no from someone. The clinic will be a brand-new facility and hope to have something worked out in the next few months.

Beth Savedra wanted to thank Layla for all the work she has done in the past 12 years. Savedra is excited to work with the new mayor and wished everyone a Merry Christmas and a Happy New Year. Savedra is very excited to see Pengelly and Nance in their new positions.

**ADJOURNMENT**

The meeting adjourned at 8:25 p.m.

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**LAYLA M. WALZ**, Mayor

ATTEST:

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**SAMANTHA NANCE**, City Clerk