



GARY POLLOCK, Mayor  
JONATHAN GOOLSBY, Vice-Mayor  
LAURA MOORE DELRIO, Councilwoman  
CHRIS MICHELL, Councilman  
CR "BETH" SAVEDRA, Councilwoman

JASON PENGELLY, City Manager  
SAMANTHA NANCE, City Clerk  
PATTI ZANDER, Deputy Clerk

**PUBLIC MEETING NOTICE**  
**Of the**  
**CITY OF WELLS BOARD OF COUNCILMEN**

The Board of Council of the City of Wells, County of Elko, State of Nevada, will meet in regular session on Tuesday, June 13, 2023, in the Council Chambers of Wells City Hall, 525 Sixth Street, Wells, Nevada  
Beginning at 7:00 P.M.

Attached with this Notice is the agenda for said meeting of the Board.

This Notice and Agenda is posted pursuant to N.R.S. 241.020 as amended by the 2013 Legislature. This Notice and Agenda has been posted on or before 9:00 A.M. on the third working day before the meeting at the following locations:

WELLS CITY HALL, 525 Sixth Street, Wells, Nevada  
WELLS FIRE STATION, 516 Seventh Street, Wells, Nevada  
WELLS POST OFFICE, 201 Castle Street, Wells, Nevada  
WELLS RURAL ELECTRIC COMPANY, 1451 Humboldt Avenue, Wells, Nevada  
SILVER SAGE SENIOR CITIZEN CENTER, 213 First Street, Wells, Nevada  
ROY'S MARKET, 647 Humboldt Avenue, Wells, Nevada

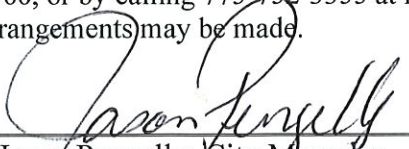
Supporting materials for this meeting may be reviewed at the office of the City Clerk, Wells City Hall, 525 Sixth Street, Wells, Nevada.

This institution is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office or call (866) 632-9992 to request the form. You may also write a letter containing all the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, and 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).

**NOTICE TO PERSONS WITH DISABILITIES**

Reasonable efforts will be made to assist and accommodate physically handicapped persons desiring to attend the meeting. Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the City Manager, City of Wells, in writing at P.O. Box 366, 525 Sixth Street, Wells, Nevada 89835-0366, or by calling 775-752-3355 at least two (2) days in advance so that arrangements may be made.

  
Jason Pengelly, City Manager

TEL 775.752.3355

FAX 775.752.3419

[finance@cityofwellsnv.com](mailto:finance@cityofwellsnv.com)

MAILING P.O. BOX 366 • WELLS, NEVADA 89835 PHYSICAL 525 6TH STREET • WELLS, NEVADA 89835

The City of Wells is an equal opportunity employer

**AGENDA  
REGULAR MEETING  
CITY OF WELLS BOARD OF COUNCIL  
TUESDAY, JUNE 13, 2023 7:00 P.M.  
COUNCIL CHAMBERS, WELLS CITY HALL  
525 SIXTH STREET WELLS, NEVADA**

*Breaks and Recess Actions shall be called for at the pleasure of the Board rather than by agenda schedule.*

Pursuant to N.R.S. 241.020, 6, notice is hereby given that items on the agenda may be taken out of order, that the Board may combine two or more agenda items for consideration, and that the Board may remove an item from the agenda or delay discussion relating to an item on the agenda any time and if the agenda is not completed, to recess the meeting and continue on another specified date and time.

Pursuant to N.R.S. 241.020, 7, any restriction on comments by the general public must be reasonable and may be restricted to the time, place and manner of the comments, but may not restrict comments based on viewpoint.

Citizens will be allowed to make public comment during each agenda item as well as at the formal Citizens to Address the Board of Councilmen agenda item at the beginning of the meeting.

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Approval of minutes of previous meeting(s). **FOR POSSIBLE ACTION**

**DELEGATION:**

5. Citizens to address the Council

Pursuant to N.R.S. 241.020,2 (c) (3), this time is devoted to comments by the general public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified to be an action item.

**NEW BUSINESS:**

6. Discussion and possible action to approve or deny liquor license for TA Operating Nevada LLC, dba Alamo Casino at Wells Petro. **FOR POSSIBLE ACTION**
7. Discussion and possible action to grant or deny application for Brothel License to David Armstrong to purchase Bella's Hacienda Ranch. **FOR POSSIBLE ACTION**
8. Discussion and possible action to approve contract with Intermountain Health for healthcare services for the City of Wells. **FOR POSSIBLE ACTION**
9. Discussion and possible action to approve Resolution 23-09, **RESOLUTION APPROVING TRANSFERS FROM CERTAIN CITY FUNDS TO OTHER FUNDS DURING THE FISCAL YEAR. FOR POSSIBLE ACTION**
10. Discussion and possible action to approve Federal Procurement Policy. **FOR POSSIBLE ACTION**

11. Claims Committee Report and possible action to approve financial statement.  
**FOR POSSIBLE ACTION**

12. Councilmen's Report

This time is devoted to comments by Board members for general information or update purposes and may include reports of involvement in liaison activities/meetings with matter raised under this item of the agenda until the matter itself has been specifically included on a successive agenda and identified to be an action item.

13. Staff reports

This time is devoted to comments by city Staff for general information or updates purpose. No action may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on a successive agenda and identified to be an action item.

14. Citizens to address the Council

Pursuant to N.R.S. 241.020,2 (c) (3), this time is devoted to comments by the general public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified to be an action item.

15. Adjournment

**MINUTES OF WELLS CITY COUNCIL  
MEETING OF MAY 23, 2023**

**CALL TO ORDER**

Date: Tuesday, May 23, 2023  
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: Gary Pollock, Mayor

**ROLL CALL**

Present: Gary Pollock, Mayor  
Jonathan Goolsby, Vice-Mayor  
Chris Micheli, Councilman  
CR Beth Savedra, Councilwoman

Absent: Laura Moore-DelRio, Councilwoman

Quorum: Yes

Staff Present: Samantha Nance, City Clerk  
Jason Pengelly, City Manager  
Patti Zander, Deputy Clerk

**PLEDGE OF ALLEGIANCE**

Mayor Pollock led everyone in the Pledge of Allegiance.

**APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

Savedra made a motion to approve meeting minutes dated May 9, 2023. Goolsby provided the second and motion passed unanimously. Savedra made a motion to approve special meeting minutes dated May 15, 2023. Micheli provided the second and motion passed unanimously.

**CITIZENS TO ADDRESS THE COUNCIL**

There were none.

**DISCUSSION AND POSSIBLE ACTION TO APPROVE 4<sup>TH</sup> ANNUAL CO-ED  
SOFTBALL TOURNAMENT TO RUN IN THE CITY PARK FOR A 24-HOUR  
PERIOD INDEFINITELY**

Minutes of Wells City Council  
Meeting of May 23, 2023

Eric Gonzalez, founder of the Wells Co-ed classic, stated this is the fourth year running the tournament and have had great turnouts the last four years. There have been approximately 100 participants which makes eight to ten teams. In the past, people that come from out of town don't stay for the Sunday events so Gonzalez wants to try something different this year. The City of Carlin ran a 24-hour softball tournament which started Friday night and ran through Saturday until they were done. Activities would start Friday like usual with the tournament starting Saturday morning at 8 a.m. and run until completed.

This year instead of donating proceeds to a sports organization, the proceeds will be donated to two individuals in the community that are dealing with cancer. Gonzalez hopes this will bring in more participants. The noise ordinance will be followed by cutting off announcing and playing music at 9 p.m. Nance contacted the city manager in Carlin who has been doing the tournament for 24 hours for years and has never had any issues. Gonzalez added that if there are more than ten teams, he will have to stick to the two-day format because it makes it easier to run. It would be great if tents could be set up on the soccer field so everyone could camp out and be able to rest if there was a gap between games. This might be needed next year.

Savedra asked if any complaints had been received in prior years. Gonzalez stated no, it has been very successful and has had a lot of positive feedback. Gonzalez continued that they don't know if this format will be successful but would like to try it. Pengelly added that some players may be under the age of eighteen. After talking with law enforcement, there is a two-hour window that minors can be out past curfew. The tournament is scheduled for June 16<sup>th</sup> – 18<sup>th</sup>. Friday will be a cornhole tournament and an alumni game. Gonzalez hopes due to the cause, there will be more spectators and maybe other activities to help raise more money. Pollock thought this event was great for the community and the city needs more things like this. Micheli made a motion to approve the 4<sup>th</sup> Annual Co-Ed Softball tournament to run in the city park for a 24-hour period indefinitely. Savedra provided the second and motion passed unanimously.

## **PRESENTATION FROM INTERMOUNTAIN HEALTH ON POSSIBLE HEALTHCARE OPTIONS FOR THE CITY OF WELLS**

Tim Lovell, Operations Director for the outpatient telehealth services for Intermountain Health stated they were excited to be here and appreciated the interest. There have been conversations with Pengelly and others about the need for a health clinic in Wells. Maurine Cobabe, Associate Medical Director for ambulatory telehealth, is the physician medical director side of the same operation and was also at the meeting. Lovell continued that when looking at clinic opportunities, they usually look at a certain size of population serviced within the traditional clinics. This community is not the size of what a normal clinic would be so this opportunity went around Intermountain Health to the telehealth group to see if this is something that would make sense to them. Something that is important to Intermountain is community, getting involved and serving communities around the area where they serve and Wells, Nevada is related to Salt Lake

in that area and thought this was something they wanted to look at and see if there was something they could make work.

Intermountain went thru a merger this last year with SCL Health in Colorado and now service seven states, headquartered in Salt Lake City but have more hospitals in Colorado and Montana in addition to having physician groups in Utah and Las Vegas. There is not much in this area but do have their colleagues with Classic Air and Med X. One thing about working with IHC is the challenge that was given to the organization when it was created in 1978 which was to be a model health system and to operate in a way that is ideal for everyone involved. What is focused on is how to keep people healthier while delivering the best and most caring experience. IHC works toward the value-based care model which is that if people are kept healthy, focus will be on preventative care. IHC is not focused on the emergency room and like to prevent people from ending up there. If the best practice is to see a patient in person, that patient will be seen in person to not sacrifice safety. There are a lot of telehealth services provided but also partner that with in person care and determine when is the appropriate time to send a patient to get care. IHC is not for profit but have to financially survive and have more leeway with a goal to break even. Lovell stated they would like to see what they can do to have a financially viable clinic to provide care so people don't have to travel.

Wells is served by Med X, an Elko based ambulance service based in Wells with no other medical services available. The proposal is to avoid travel, provide options in town for care including lab work, simple procedures and create a sustainable financial plan to keep the clinic operating. The proposal is to establish a clinic here that would be operated by their telehealth department. The clinic would be staffed like a community paramedicine model with someone in the clinic welcoming patients, helping them with the care they are receiving. Providers would spend some time at the clinic in person but not sure how much time that would be yet. Other times, that provider would be at a distant sight and the tele-presenter would be the one coordinating that work with the patient, taking vitals, blood draws, get them connected with the provider for their visit and do any follow up work that is needed. Dr. Cobabe would oversee the services with a team of providers that would be available as part of that program. There would be in-person care and when care in the clinic is not necessary, there are other services besides primary care that can be provided over telehealth.

Dr. Cobabe stated what they would be able to offer in terms of the services in this clinic would be primary care for adults. Potentially in the future, pediatric care, specialty chronic care management, routine follow-up of chronic health conditions, immunizations, lab draws, some urgent treatment of acute concerns and then basic procedures at the time providers come into the clinic. There would be links to specialty care and e-consults where the primary care provider collects information and relays the information to the specialist and the specialist will provide recommendations to the primary care provider. There is also an associated 24/7 online virtual urgent care for established patients from home or could be provided in the clinic if needed when the clinic is open. E-visits will also be offered via a chatbot messaging system as well as virtual primary care which will be your family doctor and will be the same provider on a regular basis for scheduled

visits. They would manage preventive care, chronic health conditions and acute medical conditions that come up. The EMT that does the tele-presenting would be able to draw blood and obtain urine samples that would be prepped, stabilized and transported to Intermountain Central Lab by UPS with results possible within 24 hours after being received at the lab and definitely within 48-72 hours.

Lovell stated there is a home delivery pharmacy for chronic care management type of medicine. There will be some stock on sight for basic medication for urgent things. There will probably not be a full-scale pharmacy which would be a two-week supply of antibiotics. This could be supplied through the mail order pharmacy or any other pharmacy. There is a lot of work to do to contract with peers within the county. For urgent care services, cost is \$69 for the virtual visits and \$35 for the E-visits for cash pay.

To make this work, IHC would like the city to provide and furnish the clinic facility to Intermountain and work with them on the specifications. IHC would pay for the cabling aspects to meet the standards for the datacom, make sure for telehealth it is high band width. With the clinic being remodeled, this would be easy to do before the sheetrock is put up. There is a lot of equipment available within the clinic that the city will provide and IHC will provide staff and operate the clinic. The City of Wells would cover the utilities and the clinic would be operated at least two days a week with virtual services on the third day. If the demand needs more than two days a week, the hours would be expanded. For primary care services that don't require in-person, there are time slots, twelve hours a day Monday through Friday as well as Saturday mornings. Signage would be installed at the clinic consistent with the corporate requirements.

There is a little flux on how payers are reimbursing based on their payment policy. For payers that are not reimbursing at the in-person rate for in-person services, there would be a \$24 charge. Nevada Medicaid covers that charge but don't know if other payers would cover that charge. That would be an out-of-pocket expense if the insurance doesn't cover that and would be additional to the insurance charge. If this is something that is ok with the city and the city is comfortable with that proposal, the next step would be working on coordinating with the insurance with the build team on completing the clinic, contracting with the payers in the area and starting the program buildout.

Savedra asked who would be in the clinic for the two days. Lovell stated it would be a nurse doing the nursing responsibilities and would connect with the doctor. There would be a nurse practitioner or doctor in the clinic at least once a month, more frequently if needed. Savedra asked if IHC takes all types of insurance. IHC has relationships with Anthem Gold through their Nevada organization and established relationships with most of the payers in the area. IHC would need to get enrolled with Medicare and Nevada Medicaid. Savedra asked if IHC was contracted with the Nevada PERS State Retirement to cover retirees in the area. IHC would have to contract with them.

For the 24/7 urgent care, there would be an app on your phone to connect to which would take about five minutes to enroll and log into then you have a video chat with a provider. One out of five of those calls have to be referred to in-person care and have a set criteria

on the things that can be seen. There will be no charge if no treatment is provided. Pollock asked with the limited amount of antibiotics, would it be possible to provide at least enough for three days which should allow enough time for the patient to wait for the mail order delivery of antibiotics or fill the prescription elsewhere. IHC said that would most likely be the case. Savedra asked if special days could be set up for vaccinations. There would be vaccine clinic days. Pollock asked how many days of coverage there would be, three or four. Four days would probably be the maximum and the two days would be spread out.

Quinn asked if someone needed stitches if that could be handled in the clinic. Dr. Cobabe stated that emergencies like that would probably still have to go to Elko unless the provider was in the clinic that day. The question was asked if the clinic would be staffed by one or two people. Phones would be routed to their system in Utah that does the scheduling so the one person would not have to worry about answering phones. Monitors would be set up in the exam room and the in-person staff would make the call to the provider and assist with the exam. Savedra added that Med X and IHC are the same company and thinks because of Med X serving our community and residents being familiar with them, would be happy knowing that.

Lovell stated telehealth is very popular and their urgent care practice has 60,000 visits a year, is very busy and popular. There is also a school program that is similar at some of the schools in Utah. The nurse or office assistant acts in the same capacity if there is a sick child and gets them connected with a provider. The parents sign a consent form the first of the year if they want to participate in that program.

Pengelly asked if Med X would be involved in this as far as the EMT's being at the clinic. Paul Ward, executive director for Med X stated this is a pioneering effort. It has been exciting to see the improvements that have come to Wells since Med X started five years ago. Ward stated this would be a collaboration between the two different business units within IHC. Med X would be the out of hospital service line. This is a large organization and there are a lot of different service lines that have to align to make this work. The EMT will be the person that greets the patient and gets them situated in the room, takes the vitals and sets up the virtual connection. There will be a lot of support coming from Salt Lake. Ward feels because Med X is already established in the community, this has a good chance of being successful. Nance asked if the provider that will be seen will be the same each time. Dr. Cobabe stated that doctor will be your primary care doctor and ideally will be the same face and the person that knows you. Pengelly asked if a referral was needed, would the patient go to the IHC clinic or hospital in Utah. IHC is a network of 33 hospitals including a virtual hospital and 390 clinics. If a specialist is needed, all those specialists are available. There is also a shared medical record system with those specialties so there is that communication between the urgent care, primary care and specialist.

Savedra asked what they thought of the clinic. Lovell stated it was an awesome facility and will work very well. Dr. Cobabe added there was more space than they could ask for. Pengelly hopes they will grow into all the space. IHC wants the clinic to meet the



needs of the community and feel like the health of the community is stronger because of the partnership of the preventive care services. Ward feels like everything is lining up to make this work. Pollock thinks the relationship between Med X and the community has been outstanding and will help to establish a level of trust due to the affiliation with Med X. Pengelly asked what the next step would be. Lovell stated there would be a memorandum of understanding. IHC will start the work on the contract process if the board wanted to move forward and start contract negotiations with payers and work on coordinating with the remodel. Pengelly stated this will be put on the agenda for possible action. Quinn asked about the length of the contract and Lovell stated it would probably be a two-year contract but would have to talk with their people.

#### **DISCUSSION AND POSSIBLE ACTION TO APPROVE FINAL BUDGET FOR FISCAL YEAR 2023-2024**

Nance began that the only change since the last time was the Pool n Pact insurance increase of \$13,000 as well as the capital outlay in the golf course was increased from \$5,000 to \$10,000. Nance also wanted to point out that there is money in the budget for the clinic. If this budget is approved tonight, it will go to the state to be submitted as the final budget. Pengelly stated the tentative budget was submitted to the Department of Taxation and was reviewed and there were no mistakes. Goolsby made a motion to approve the final budget for fiscal year 2023-2024. Micheli provided the second and motion passed unanimously.

#### **DISCUSSION AND POSSIBLE ACTION TO AWARD BID FOR WELL #7 BOOSTER STATION PROJECT**

Pengelly began that Shaw Engineering designed the booster pump station. It was put out for bid and bids were due today at 11 a.m. A facetime call was held in Pengelly's office with Cody and Owen from Shaw Engineering and bids were opened. Three bids were received. Great Basin Engineering Contractors bid \$419,231.19; Schell Creek Construction bid \$384,067.10 and NAVCO Construction bid \$269,376.00. Pollock noted that a lot of the subcontractors were the same and it was impressive that NAVCO came in \$104,000 lower than the next highest bid. All bids were scanned over to Shaw Engineering in Reno who wrote the recommendation letter and NAVCO Construction was the recommendation at the lower cost. The engineer's estimate was \$4,000 more than NAVCO Construction's bid. Pollock stated they do good work. Savedra made a motion to award the bid for Well #7 Booster Station Project to NAVCO. Micheli provided the second and motion passed unanimously.

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

Goolsby made a motion to approve the Warrant Register dated May 11, 2023 to May 23, 2023 in the amount of \$134,321.44. Micheli provided the second and motion passed unanimously.

## **COUNCILMEN'S REPORTS**

Savedra will be attending the NNRDA meeting and will attend in person.

Micheli has been out at the golf course helping Huff reupholster golf cart seats the last two days. They look 100% better and are more presentable. The golf course looks great. Micheli wished everyone a good Memorial Day weekend.

Goolsby mentioned the WFRC golf scramble on June 24, 2023 at 5:30 p.m.

Pollock has been busy with T ball and mentioned the pre-school graduation Thursday.

## **STAFF REPORTS**

Pengelly stated that Wood Rodgers is here this week and has been working with Stanhope up in the Wood Hills on 4-wheelers to try to come up with a design for the trails. Stanhope stated that the two people from Wood Rodgers, one from Reno and the other from Arizona were amazed by the beautiful conditions in the Wood Hills. There were some problems trying to get access in some of the areas. A lot of the property has been bought and there are no trespassing signs. It appears points east to the Moor Estates will not be an option and south towards Rainbow Estates is all private. There might be a way to push through in between to get down into the southern area. There is also a 25 sq. mile section in the northwest section that could be available for trails. Pengelly stated there have been complaints from property owners on the southern end and have received phone calls from property owners that aren't local. Pengelly would like to reach out to all the landowners to see if they want this or not. There is a big parcel of BLM land in the middle that could potentially have a trail.

Nance and Pengelly sent a letter to Graymont for a donation request and received \$1,000 donation to go towards the new senior center.

There is a Nevada League of Cities retreat in Ely, Nevada on June 8-10 for anyone interested. This will be geared towards tourism with lots of activities. Savedra is attending and has reservations. Pollock is also possibly interested in attending.

Nance came across an NRS that the whole agenda packet should be put on the website so the entire agenda packet was put on the website and will continue to be going forward. Pengelly added that this is something that should have been done years ago.

## **CITIZENS TO ADDRESS THE COUNCIL**

There were none.

## **ADJOURNMENT**

The meeting adjourned at 8:16 p.m.

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**GARY POLLOCK, Mayor**

ATTEST:

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**SAMANTHA NANCE, City Clerk**



# ELKO COUNTY SHERIFF'S OFFICE

# SHERIFF

**SHERIFF AITOR NARVAIZA**

TEL 775.738.3421 • FAX 775.753.9845  
775 W. Silver St. • Elko, NV 89801

June 05, 2023

City of Wells  
Attn: Jason Pengelly  
525 Sixth Street  
P.O. Box 366  
Wells, NV 89834

RE: Liquor License / Gaming License      Status: Reviewed      Recommendation: Approval

Dear Jason,

As per the City of Wells Ordinance, Chapter 3 Liquor Regulations, 3-3-5: Investigation of Applicant; the following information pertains to your request for a review of the submitted Liquor / Gaming License applications for:

NAME: Wells TA Operating Nevada LLC dba Alamo Casino at Wells Petro  
ADDRESS: 1200 Financial Blvd., Reno, NV 89502

The Elko County Sheriff's Office has reviewed the submitted application by the above named party and has concluded there is no reason to disqualify the listed applicant for the required City of Wells liquor and gaming licenses at this time.

Should you have any questions, please contact me at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Aitor Narvaiza".

Aitor Narvaiza  
Sheriff  
Elko County Sheriff's Office

## LEASE AGREEMENT

This LEASE AGREEMENT (“**Agreement**”) is dated and made effective as of 7/1/2023 (“**Effective Date**”) by and between IHC Health Services, Inc., a Utah nonprofit corporation (“**IHC**”), and the City of Wells, Nevada (“**CITY**”).

**WHEREAS**, CITY owns a building located at 197 Baker St, Wells, Nevada (the “**Community**”), commonly known as the Wells Clinic Building (the “**Building**”), in which it previously operated a community clinic; and

**WHEREAS**, since the closure of the community clinic, Wells residents must travel at least 100 miles round trip to receive healthcare services; and

**WHEREAS**, in furtherance of its charitable purposes, IHC desires to improve access to care and improve the quality of care available to all citizens in the Community, particularly the poor, the vulnerable and the underserved; and

**WHEREAS**, CITY wishes to lease the Building (the “**Premises**”) to IHC for the operation of a medical clinic to serve the Community.

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual covenants and promises contained herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties therefore agree as follows:

### AGREEMENT

#### 1. Demise of Space.

- (a) CITY hereby leases to IHC and IHC hereby leases from CITY the Premises consisting of approximately [redacted] square feet on a full-time basis. IHC shall be entitled to exclusive use of the Premises as identified and agreed to by the parties. A floor plan depicting the Premises is attached hereto as Exhibit A.
- (b) The Premises is leased to IHC on an “as-is” basis. IHC acknowledges that it has inspected the Premises and accepts the Premises in its current condition. At the termination of this Agreement, IHC, at its expense, shall (i) surrender the Premises in the same condition as existed on the Effective Date, reasonable wear and tear accepted; (ii) have removed all of IHC property from the Premises; (iii) have repaired any damage to the Premises caused by the removal of IHC’s property; and (iv) leave the Premises free of trash and debris and the building in “broom clean” condition.

#### 2. Term. This Agreement shall commence on [redacted] and shall continue for a period of 2 years until or unless this Agreement is terminated as set forth herein (“**Term**”).

- (a) The Term shall be extended automatically for one additional three-year term (“**Renewal Term**”), unless either party shall give the other party at least 30 days’ prior written

notice of the non-extension of the Term, in which case, the Term shall expire and terminate on the last day of the Term.

(b) This Agreement may be terminated by either party upon ninety (90) days' prior written notice.

3. **Services.** CITY shall make available to the Premises such amounts of air-conditioning, heating, and ventilation as may be reasonably required for the comfortable use of the Premises, reasonable amounts of electric current, and water for lavatory and drinking purposes. IHC, at IHC's sole expense, shall provide all telephone and telecommunications services.
4. **Maintenance.** CITY shall maintain and keep the Building and Common Areas (as defined herein) in good condition and repair. CITY shall timely clean, maintain, repair, light, operate and insure all parking areas, gravel lot, access roads, driveways, entrances and exits, retaining walls, exterior facilities, landscaped areas, roads and pathways, common utility lines, storm water system, accommodation areas such as sidewalks, grass plots, ornamental planting, direction signs, and the like (collectively, the "Common Areas"). Maintenance services shall include snow and ice removal and repair of the parking lot. IHC shall maintain the interior, non-structural portions of the Premises in good order, condition, and repair.
5. **Rent.** IHC shall pay to CITY for use and occupancy of the Premises, the rate \$1 annual ("Rent"). Rent is inclusive of all utilities (such as electricity, gas, water, sewer, cable) to the Premises and all services.
6. **Confidentiality and HIPAA.** All information possessed by CITY relative to the activities of IHC of a confidential nature, including without limitation, medical records of patients and other patient privacy information, lists of patients, names of accounts, contractual information, pricing information, business plans, strategic plans, and other like information, is the property of IHC. CITY shall not, and shall ensure each of its employees and agents does not, disclose to others, or use for the benefit of others, any such information so long as such information is treated as secret or confidential by IHC and not of common knowledge in the industry.

It is the intent of the parties that CITY employees and contractors not be provided with confidential health information. CITY will rely upon IHC to provide instruction to staff working in the Premises regarding safekeeping of confidential information and adherence to legal requirements.

7. **Regulatory Compliance.** The parties agree that this Agreement is intended to comply with all state and federal laws, regulations, and policies including, but not limited to the Anti-Kickback Statute (42 U.S.C. Section 1320a-7b(b)).
8. **Insurance.**

(a) IHC shall maintain in full force through the Term, the following minimum insurance coverage:

- i. Commercial general liability insurance providing coverage on an occurrence basis with limits of not less than One Million Dollars

(\$1,000,000.00) each occurrence for bodily injury and property damage combined, Two Million Dollars (\$2,000,000.00) annual general aggregate.

- ii. IHC will at all times maintain in effect with respect to any of IHC's fixtures, goods, inventory and personal property, commercial property insurance (cause of loss – special form) (formerly “all-risk”) providing coverage for one-hundred percent (100%) of the full replacement cost of the covered property.
  - iii. Workers' Compensation Insurance as required by law for all of its employees who work at or visit the Premises and Employers Liability Insurance.
- (b) Notwithstanding anything to the contrary in this Agreement, IHC may, at its option, satisfy all or any part of the insurance requirements in this Lease through IHC's self-insurance and risk management program. Any insurance requirements in this Lease are hereby deemed modified as applicable and to the extent reasonably required in order to comply with such self-insurance practices and applicable laws and regulations.
- (c) CITY will procure and maintain during the term of this Agreement, Fire, Windstorm, Extended Coverage Insurance (with additional perils to be covered at CITY's option) and other commercially reasonable insurance coverages on the building in amounts not less than one hundred percent (100%) of the insurable value.

## 9. **Indemnification**

- (a) IHC agrees to indemnify, hold harmless, and defend (collectively “indemnify” or “indemnification” or similar term as the context so requires) the CITY and the CITY's affiliates, officers, directors, employees, agents, representative and subcontractors (collectively “**Indemnified Parties**”) from and against any and all damages, demands, costs, fines, penalties, losses, liabilities, claims, causes of action, government action/assessments, proceedings, lawsuits, and expenses, (collectively the “**Claim**”) including attorneys' fees, costs and expenses reasonably incurred by the Indemnified Parties only in connection with, related to, or arising out of the act or neglect of the IHC, or its agents, servants or employees. This indemnification obligation does not pertain to any Claim resulting from the negligent action or omission of the Indemnified Parties. Nothing in this Agreement is intended to supersede or modify the waivers of immunity as set forth in Nevada's sovereign immunity statutes.
- (b) The indemnities set forth in this Section 9 shall survive termination or expiration of this Agreement.

10. **Signage.** IHC shall be allowed to install signage on the Building and property as permitted by local, state, and federal laws.

- 11. **Entire Agreement.** This Agreement contains the entire understanding of the parties with respect to its subject matter. This Agreement supersedes all prior and contemporaneous agreements and understandings between the parties, written or oral, with respect to its subject matter, and there are no restrictions, agreements, promises, warranties, covenants, or undertakings between the parties with respect to the subject matter hereof other than those expressly set forth in this Agreement.
- 12. **Notices.** Any notice required or permitted to be given under or relating to this Agreement shall be in writing and shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid, or by overnight courier to the other party as follows:

IHC Health Services, Inc.  
 36 S. State Street, 21<sup>st</sup> Floor  
 Salt Lake City, UT 84111

City of Wells, Nevada  
 Attn: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Notices shall be deemed effective as of three (3) business days after the date of mailing (in case of notice given by mail) or on the date of delivery if hand delivered, including delivery by overnight courier. Either party may at any time change its address for notification purposes by mailing or delivering a notice as required hereinabove stating the change and setting forth the new address.

- 13. **Excluded Provider.** Each party represents and warrants that: (1) it is not currently excluded from participation in any federal health care program, as defined under 42 U.S.C. Section 1320a-7b; (2) it is not currently excluded, debarred, suspended, or otherwise ineligible to participate in federal procurement and non-procurement programs; or (3) it has not been convicted of a criminal offense that falls within the scope of 42 U.S.C. Section 1320a-7(a), but has not yet been excluded, debarred, suspended or otherwise declared ineligible (each, an "Exclusion"), and agrees to notify the other party within two business days of learning of any such Exclusion or any basis therefore. In the event of learning of such Exclusion, IHC shall have the right to immediately terminate this Agreement without further liability.
- 14. **Governing Law.** This Agreement shall be construed in accordance with the laws of the State of Nevada. Venue for any dispute shall be in Elko County, Nevada.
- 15. **Counterparts; Electronic Signatures.** This Agreement may be executed in two or more counterparts, all of which together shall constitute but one and the same instrument. The parties agree that signatures transmitted by facsimile, electronic mail, or DocuSign shall be binding as if they were original signatures.



[signature page(s) follow]

DRAFT

**IN WITNESS WHEREOF**, IHC and CITY have duly executed this Agreement on the date set forth immediately below the respective party's signature hereof.

IHC HEALTH SERVICES, INC.

CITY OF WELLS, NEVADA

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

DRAFT

Exhibit A

DRAFT

**CITY OF WELLS  
RESOLUTION NO. 23-09**

**RESOLUTION APPROVING TRANSFERS FROM CERTAIN CITY FUNDS TO  
OTHER FUNDS DURING THE FISCAL YEAR**

**WHEREAS**, it has been determined that there is need for additional cash flow in certain funds at different times during the year, and

**WHEREAS**, according to NRS 354.6117, the Board of Councilmen of the City of Wells, County of Elko, State of Nevada, is authorized to make appropriate transfers from one City fund to another, and

**WHEREAS**, using the pooled cash, this can easily be accomplished and tracked through the City's accounting system.

**NOW, THEREFORE BE IT RESOLVED AND ORDERED BY THE BOARD OF COUNCILMEN OF THE CITY OF WELLS** at a regular meeting, that the transfer of money between funds is authorized as needed to prevent deficit balances.

**IT IS FURTHER RESOLVED** that the City Clerk is authorized to make said transfers as necessary and that these transfers will be reported to the Board of Council to determine reconciliation at the year end.

**THAT** all orders, resolutions, or parts thereof in conflict with this Resolution are hereby repealed.

**THIS** Resolution shall become effective and shall be in force in perpetuity until otherwise repealed.

**PASSED, APPROVED AND SIGNED** this 13<sup>th</sup> day of June 2023.

**CITY OF WELLS**

By:

\_\_\_\_\_  
**GARY POLLOCK, MAYOR**

**ATTEST:**

\_\_\_\_\_  
**SAMANTHA NANCE, CITY CLERK**

**VOTE:**      **AYES:** \_\_\_\_\_  
\_\_\_\_\_

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**NAYS:**

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**ABSENT:**

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Agenda Item # 10  
Date of Meeting 6-13-23



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## PROCUREMENT POLICY FOR FEDERAL AWARDS

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City of Wells Procurement Policy  
Based on Uniform Administrative Requirements

June 13, 2023

CITY OF WELLS  
525 6th Street  
Wells, NV  
89835

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**City of Wells  
Procurement Policy  
For Federal Awards  
Based on "Uniform Administrative Requirements"**

## 1. PURPOSE

This policy provides a standard reference to established policy, procedures and guidelines for the procurement of supplies, services, and construction in the City of Wells ("The City"). The underlying purposes of this policy are:

- A. To simplify, clarify, and modernize the law governing procurement by this City;
- B. To permit the continued development of procurement policies and practices;
- C. To provide for increased public confidence in the procedures followed in public procurement;
- D. To ensure the fair and reasonable treatment of all persons who deal with the procurement system of this City;
- E. To provide increased economy in City procurement activities and to maximize to the fullest extent practicable the purchasing value of public funds of the City;
- F. To ensure that goods and services purchased for the performance of a federal grant are obtained in a cost effective manner and in compliance with federal regulations.
- G. To provide safeguards for the maintenance of a procurement system of quality and integrity, and
- H. To obtain in a cost-effective and responsive manner the materials, services and construction required by the City in order to better serve this City's businesses and residents.

## 2. APPLICATION

The policy will become effective upon approval of the Board of Council. Unless otherwise provided by law, this policy applies to contracts solicited or entered into after the effective date. This policy shall apply to every expenditure of public funds irrespective of their source, including state and federal assistance funds. Nothing in this policy shall prevent the City, or any governmental body or political subdivision from complying with the terms and conditions of any grant, gift, bequest, or cooperative agreement.

When the procurement involves the expenditure of federal assistance or contract funds, the procurement shall be conducted in accordance with any applicable mandatory federal law and regulation which is not reflected in this policy. When this policy does not specifically address a procurement issue, the issue may be resolved in accordance with the applicable section of NRS 332 and current policy.

## 3. CHANGES

This policy is intended to serve as a living document reflecting best procurement practices and changes may be made to this policy from time to time. The City Manager and/or Comptroller may issue official interim or supplemental procurement policy guidance in the form of Policy Directives. Changes and interim or supplemental guidance shall be effective when approved by the Board of Council and shall apply to procurements in progress to the extent feasible under the terms of the issued solicitation documents.



## 4. GENERAL PROCUREMENT STANDARDS

### 4.1 Standards of Conduct

- A. No officer, employee or agent of the City shall participate in the selection, award and administration of contracts if such participation would arise in a conflict of interest. Such a conflict of interest would arise when the employee, officer or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein;
- B. Has a financial interest or other interest in or a tangible personal benefit from a firm considered for contract;
- C. The officers, employees, and agents of the City may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.
- D. Employees, officers or agents of the City may, on occasion, accept an unsolicited gift of nominal value, in which the financial interest is not substantial (as defined in NRS 281.5585).
- E. Employees, officers or agents of the City that are found to be in violation of the article(s) above will be held accountable. Disciplinary actions may include termination of employment, removing the appointed officer from the office or dissolving the relationship between the City and agent.

### 4.2 Procuring Goods and Services

- A. The City will take all necessary measures to avoid the acquisition of unnecessary or duplicative items;
- B. Consideration will be given to consolidating or breaking out procurements to obtain a more economical purchase;
- C. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach;
- D. The City will enter, when deemed applicable by the governing body, into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.
- E. The City will give consideration to purchase Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
- F. The City, when applicable, will use a value engineering clause in contracts for construction projects of sufficient size to offer reasonable opportunities for cost-reductions.
- G. The City will only award contracts to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance and financial and technical resources.
- H. In compliance with 2 CFR Part 180, the City is prohibited from contracting with or making subawards under covered transactions to parties that are debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs or activities. Buyers must actively attempt to verify that a vendor is not debarred, suspended or otherwise excluded from or ineligible for participation in Federal assistance programs or activities. This verification may be accomplished by (1) Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA) and available

at <https://www.sam.gov/po rtal/public/SAM/> (2) collecting a certificate from the entity, or (3) adding a clause or condition to the covered transaction with that entity.

- I. The City will maintain records sufficient to detail the history of procurement. These records will include but are not limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
- J. The City may use time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to a non-Federal entity is the sum of:
  - a. The actual cost of materials; and
  - b. Direct labor hours. charged at fixed hourly rates that reflect wages, general and administrative expenses and profit.
- K. The City will exercise its best administrative practice and sound business judgement when settling contractual and administrative issues arising out of procurements.
- L. The City will publish protest procedures associated with the solicitation. Any interested party shall have the right to protest alleged inequities in the procurement process and to have its issued heard, evaluated and resolved administratively. An "interested party" is defined as an actual or prospective offeror whose direct economic interest would be affected by the award of a contract or by failure to award a contract. The protestor may be required to submit a "Protest Bond".

#### 4.3 Competition

The City will conduct all procurement transactions in a manner providing full and open competition. Contractors that develop or draft specifications, requirements, statements of work or invitations for bid or requests for proposals will be excluded from competing for procurements for the county. Some of the situations considered to be restrictive of competition include, but are not limited to:

- A. Placing unreasonable requirements of firms in order for them to qualify to do business;
- B. Requiring unnecessary experience and excessive bonding;
- C. Noncompetitive pricing practices between firms or between affiliated companies;
- D. Noncompetitive contracts to consultants that are on retainer contracts;
- E. Organizational conflicts of interests;
- F. Specifying a brand name product instead of allowing an equal product to be offered and describing the performance or other relevant requirements of the procurement; and
- G. Any arbitrary action in the procurement process.

The City will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local or tribal geographical preferences in the evaluation of its bids or proposals, except in those cases where applicable Federal statues expressly mandate or encourage geographic preference. Nothing in this section preempts state and local licensing laws. When contracting for architectural and engineering (A&E) services, geographic location may be a selection criterion provided its application leaves and appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

The City will have written procedures for procurement transactions. Each Department may have some specific procedures that are applicable to goods, equipment and services that are specific to that department. These procedures will ensure that all solicitations:

- A. Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description will not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, will set forth those minimum essential characteristics and standards to which it must conform it is to satisfy its intended use. Detailed product specifications shall be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand-name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly state; and
- B. Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

The City ensures that all prequalified lists or persons, firm or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. The City shall not preclude potential bidders from qualifying during the solicitation period.

## 5. METHODS OF PROCUREMENT

The City will use one of the following methods of procurement with consideration of provisions of Contracts under Federal Awards and in compliance with NRS 332.039:

### 5.1 Procurement by Micro-Purchase:

- A. If said procurement is \$3,500 or less (\$2,000 in the case of construction subject to the Wage Rate Requirements (Davis Bacon Act));
- B. The City will make an effort to ensure that purchase will be equitably distributed among qualified suppliers.

### 5.2 Procurement by Small Purchase

#### 5.2.1 For Purchases between \$3,501 to \$24,999:

Prices, quotes and/or rates will be obtained from an adequate number of qualified sources.

#### 5.2.2 For Purchases between \$25,000 and \$49,999:

Purchases greater than \$25,000 but less than \$49,999; must request bids from two or more persons capable of completing the contract;

### 5.3 Competitive Solicitation (Above\$50,000)

#### 5.3.1 Procurement by Sealed Bid

- A. Procurements exceeding \$50,000
- B. Used primarily for purchase of goods, construction and other purchases where the competition is based on precise technical specifications provided in the invitation to bid.
- C. Procurement by sealed bid will be formally advertised and public solicited for by the City;
- D. Bids will be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening bids;

- E. The invitation for bids will include any specifications and pertinent attachments. The invitation for bid will define the items or services in order the bidder to properly respond;
- F. All bids will be opened on the date, at the place and time prescribed in the invitation for bids and will be opened publicly.
- G. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation costs and lifecycle costs will be considered in determining which is the lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- H. The City reserves the right to reject any or all bids if there is sound documented reason.

#### 5.3.2 Procurement by Competitive Proposal

- A. Procurement exceeding \$50,000
- B. Used primarily for fixed price or cost reimbursement, services and other purchases where the precise technical specifications cannot be determined for the purchase.
- C. Requests for Proposals will be publicized and will identify all evaluation factors and their relative importance. Any and all response to said requests for proposals will be considered to the maximum extent practical;
- D. Proposals will be solicited from an adequate number of qualified sources;
- E. The City (or applicable City Departments) will have in place a written method for conducting technical evaluations of the proposals received and for selecting recipients;
- F. Contracts will be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- G. The City may use competitive proposal for qualifications-based procurement for Architectural and Engineering (A&E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiations of fair and reasonable compensation. The method where price is not used as a selection factor, can only be used in procurement of A&E professional services. It cannot be used to purchase other types of services, even if an A&E firm is a potential source to perform the proposed effort.
- H. The City reserves the right to reject any or all bids if there is sound documented reason.

#### 5.3.3 Procurement by Non-Competitive Proposals

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source (also known as sole-source) and may be used only when one or more of the following circumstances apply:

- A. The item is available only from a single source;
- B. The public exigency or emerge for the requirement will not permit a delay resulting from competitive solicitation;
- C. The Federal Awarding Agency or Pass-Through Agency expressly authorizes noncompetitive proposal in response to a written request from the County; or
- D. After solicitation of a number of sources, competition is determined inadequate.

#### 5.4 For Purchases from \$3,501 to \$24,999

A minimum of two (2) prices, written or verbal are required. Vendor selection must be made on the basis of the same precise and accurate description of the specifications and technical requirements for the item or service. Web price lists and catalogue listings, as well as telephone quotes can be considered. Buyers must complete a "Purchasing Capital Assets" form for those

assets that have a useful life of over one year and a cost of \$5,000 or more. A copy of the form must be attached to the selected vendor's invoice and submitted to the Comptroller's office for payment. A copy of the form will be kept in the procurement or contract file.

**5.5 For All Purchases Regardless of Funding Source between \$25,000 and \$49,999**  
A minimum of two (2) written bids are required. Vendor selection must be made on the basis of the same precise and accurate description of the specifications and technical requirements for the item or service. Buyers must complete a "Purchasing Capital Assets" form for those assets that have a useful life of over one year and a cost of \$5,000 or more. A copy of the form must be attached to the selected vendor's invoice and submitted to the Comptroller's office for payment. A copy of the form will be kept in the procurement or contract file.

**5.6 For All Purchases Regardless of Funding Source \$50,000 or Greater**  
A minimum of two (2) written bids are required. The advertisement required must be by notice to bid and must be published pursuant to NRS 332.045. The bids may come in response to a formal Request for Proposal (RFP). Each vendor must be provided with the same precise and accurate description of the specifications and technical requirements for the item or service. Buyers must complete a Purchasing Capital Assets form. A copy of the completed form and all written bids must be attached to the selected vendor's invoice and submitted to the Comptroller's office for payment.

## 6. CONTRACTING WITH SMALL AND MINORITY BUSINESSES, DISADVANTAGED BUSINESS ENTERPRISE, WOMEN'S BUSINESS ENTERPRISE, AND LABOR SURPLUS AREA FIRMS

The City (or applicable City Departments) will have a Disadvantaged Business Enterprise (DBE) Plan with DBE goals when that department meets the federal threshold requiring a DBE plan. The Disadvantaged Business Enterprise are certified through Nevada Department of Transportation. The list of DBEs are found at:  
<https://ndot.dbesystem.com/Default.asp?TN=ndot>

The City will take all necessary affirmative steps to ensure that all disadvantaged businesses, minority businesses, women's business enterprises and labor surplus firms are used when possible. The City will take the following steps to facilitate this:

- A. Set DBE goal as applicable;
- B. Small and minority businesses are solicited whenever they are potential sources;
- C. Divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises;
- D. The City will utilize the services and assistance, as appropriate, of such organizations as the DBE list found on the NDOT website, Northern Nevada Development Authority, Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- E. The City shall require the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (A) through (D) of this section.

## 7. PROCUREMENT OF RECOVERED MATERIALS

The City and its contractors will comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000, procuring solid waste management services in a manner that maximized energy and resource recovery; and established an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

The decision not to procure such items shall be based on a determination that such procurement items:

- A. Are not reasonably available within a reasonable period of time;
- B. Fail to meet the performance standards set for the applicable specifications or fail to meet the reasonable performance standards of the procuring agencies; or
- C. Are only available at an unreasonable price.

## 8. CONTRACT COST AND PRICE

For purchases exceeding the micro purchasing level of \$3,000 or less, in connection with every procurement action, an Independent Cost Estimate (ICE) will be performed and documented in the procurement files.

The City will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

Price analysis is to be used in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent of the facts surrounding the particular procurement situation, but as a starting point, the County will make independent estimates before receiving bids or proposals.

Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that cost incurred or cost estimates included in negotiated prices would be allowable for the City allocable to that grant program.

The cost plus a percentage of cost and percentage of construction cost methods of contracting will not be used.

## 9. FEDERAL AWARDING AGENCY OR PASS-THROUGH AGENCY REVIEW

The City will make available, upon request of the Federal Awarding Agency or Pass-Through Agency, technical specifications on proposed procurements where the Federal Awarding Agency or Pass-Through Agency believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. The review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the City

desires to have the review accomplished after a solicitation has been developed, the Federal Awarding Agency or Pass-Through Agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

The City will make available upon request, for the Federal Awarding Agency or Pass-Through Agency pre-procurement review, procurement documentations, such as requests for proposals or invitations for bids, or independent cost estimates, when:

- A. The City's procurement procedures or operation fails to comply with the procurement standards in this part;
- B. The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;
- C. The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a "brand name" product;
- D. The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
- E. A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

The City is exempt from the pre-procurement review outlined in this section if the Federal Awarding Agency or Pass-Through Agency determines that its procurement systems comply with the standards of this part.

Should we, the City, find ourselves to be experiencing continuous high-dollar funding, where third party contracts are awarded on a regular basis, we may choose to request that the Federal Awarding Agency or Pass-Through Agency review our procurement system to determine whether said procurement system meets these standards in order for our system to be certified.

We, the City, may choose to self-certify our procurement system. Should we decide to self-certify we understand that such self-certification must not limit the Federal Awarding Agency's right to survey our procurement system. Should we choose to self-certify our procurement system we state that the Federal Awarding Agency may rely on our written assurances that we are complying with these standards. Should we decide to self-certify our procurement system we will cite specific policies, procedures, regulations and standards as being in compliance with these standards and will have our procurement system available for review.

## 10. BONDING

### 10.1 Bonding for Federal Contracts

The City may require a bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" will consist of a firm commitment such as a bid bond, certified check or other negotiable instrument accompany a bid as assurances that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

A performance bond is required on the part of the contractor awarded a construction contract for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract. The City, at its discretion, may require adequate bonding and insurance to protect the program or project.

A payment bond is required on the part of the contractor awarded a construction contract for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract. The City, at its discretion, may require adequate bonding and insurance to protect the program or project.

The City, at its discretion, may require a protest bond from interested parties protesting solicitations.

## 10.2 Bonding Policy for All Non-Federal Contracts

A bid bond, performance bond, payment bond or any combination thereof, with sufficient surety, in such amount as may be determined necessary by the City or its authorized representative, may be required of each bidder or contractor on a particular contract.

Any such bonds may be to insure proper performance of the contract and save, indemnify and keep harmless the local government against all loss, damages claims, liabilities, judgements, costs and expenses which may accrue against the local government in consequence of the awarding of the contract. (NRS 332.105 Contract Provisions).

Contracts will contain the applicable provisions in Appendix II to Part 200 - Contract Provisions for Non-Federal Entity Contracts under Federal Awards.

The City, at its discretion, may require a protest bond from interested parties protesting solicitations.

## 11. REQUIRED FEDERAL CLAUSES AND CERTIFICATIONS

Federally assisted programs have several clauses and certifications, of which most are based on the threshold of the funding or specific purchasing criteria. An example is the Davis Bacon Act requirement for construction with a \$2,000 threshold compared to a DBE Plan requirement when there is \$250,000 in contracting opportunities available.

Therefore, the City will make applicable to the program or project all Federal Clauses and Certifications based on the threshold and purchasing criteria. Each City Department receiving Federal Assistance will have or develop a procedure, along with applicable forms, to meet the Federal Clauses and Certifications.

In some cases, where the Federally Assisted program is passed-through the State of Nevada, the City may choose to adopt the State's procedures. In this case, the State of Nevada will authorize this adoption and this will be noted in the procurement file(s).

## 12. DEBARMENT AND SUSPENSION

The City must actively attempt to verify that a vendor is not debarred, suspended or otherwise excluded from or ineligible for participation in Federal assistance programs or activities. This verification may be accomplished by (1) checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA) and available at <https://www.sam.gov/portal/public/SAM/>, (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity.



### 13. GRANT CLOSE OUT

All original and/or grant records including pay requests, grant awards, grant closure materials (de-obligation letters), all annual, quarterly or monthly reports that may be a requirement of the grant, along with backup to these reports, must be kept in a secure location for at least three (3) years after the final payment and closing documents have been received and processed. The Federal Awarding Agency may require the City to keep the records available for a longer period of time if they are selected to be audited or are part of a legal dispute. The Federal Awarding Agency may also require the City to keep the records if they have a long term retention value. A scanned version of the above mentioned documents would meet the intent of this policy.

In most circumstances, the starting date for retention of records is the date when the de-obligation letters are issued. In a large capital project, where there are multiple contracts or award, the start date of record retention is when the last contract or award is closed out. For equipment, the start date of the retention period is from the date of the equipment's disposition, replacement or transfer at the Federal Awarding Agency's direction.

In some cases, the City must report income after the Award is closed. When there is such a requirement, the retention period begins from the end of the recipient's fiscal year in which the income was earned, even if it falls after the date of the closeout of the Award. For example, if the closeout occurs on September 5, and the recipient's FY ends on June 30 of the following year, record retention begins on the next day, July 1.

Each grant will be reconciled to the City General Ledger at least annually by the Comptrollers' office until all approved funds have been received and documented. Any documents that may be necessary to accomplish this should be forwarded on a regular basis. Any supplemental information that may be required by the grant should also be maintained in this secured file as required by the Federal Awarding Agency.

### 14. DISPOSITION

When the original or replacement equipment, facilities or property acquired under a Federal Award is no longer needed for the original project, has met its useful life or has been damaged, the City Department will work with the Federal Awarding Agency or the Pass-Through Agency to properly dispose of the equipment, facilities or property. This process will also capture the correct financial procedure for that disposition.

#### 14.1 Federal Disposition

Disposition of equipment will be made as follows, in accordance with Federal Awarding Agency disposition instructions:

- A. The disposition of equipment before the end of its useful life requires the approval of the Federal Awarding Agency. The proceeds from the sale, insurance settlement or trade-in of the equipment may be used to offset the cost of a replacement equipment or put back into the program for future use.
- B. Items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal Awarding Agency. This may include donating equipment to another Federally Assisted program or a non-profit agency.
- C. Except as provided in §200.312 Federally-owned and exempt property, paragraph (b), or if the Federal Awarding Agency fails to provide requested disposition instructions

within 120 days, items of equipment with a current per-unit fair-market value in excess of \$5,000 may be retained by the non-Federal entity or sold. The Federal Awarding Agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal Awarding Agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal Awarding Agency may permit the non-Federal entity to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

- D. The non-Federal entity may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the non-Federal entity must be entitled to compensation for its attributable percentage of the current fair market value of the property.
- E. In cases where a non-Federal entity fails to take appropriate disposition actions, the Federal Awarding Agency may direct the non-Federal entity to take disposition actions.

#### 14.2 Non-Federal Disposition

Non-Federally Awarded equipment, facilities or property may be disposed of by the State of Nevada disposition procedures. Examples of these are found at:

<http://purchasing.nv.gov/LocalGov/ExcessVehlisting/>

Nevada Revised Statutes 332.185 - Outlines the State of Nevada equipment disposition policy. Disposition should closely follow the same conditions and limitations as required for purchasing. Using public auction, scrapping (if appropriate) or other action that is in the best interest of the local government.

Nevada Revised Statutes 244.1505 - Allows public money, property and supplies to be donated to religious, charitable or education organizations (as defined in Nevada Revised Statutes 372.3261).

#### 15. EXCEPTIONS

The Board of Council must approve any exceptions to this policy in writing.

#### AUTHORIZING SIGNATURES

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GARY POLLOCK, MAYOR

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SAMANTHA NANCE, CITY CLERK

Appendix II to Part 200 - Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) **All contracts in excess of \$10,000** must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) **Equal Employment Opportunity.** Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

(D) **Davis-Bacon Act**, as amended (40 U.S.C. 3141- 3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal Awarding Agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal Awarding Agency.

(E) **Contract Work Hours and Safety Standards Act** (40 U.S.C. 3701- 3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the Awarding Agency.

(G) **Clean Air Act** ( 42 U.S.C. 7401- 7671g.) and **the Federal Water Pollution Control Act**( 33 U.S.C. 1251- 1387 ), as amended - Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act ( 42 U.S.C. 7401- 7671g) and the Federal Water Pollution Control Act as amended ( 33 U.S.C. 1251- 1387). Violations must be reported to the Federal Awarding Agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) **Debarment and Suspension** (Executive Orders 12549 and 12689) -A contract award (see CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 ( 3 CFR part 1986 Comp., p. 189) and 12689 ( 3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies , as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) **Byrd Anti-Lobbying Amendment** ( 31 U.S.C. 1352) - Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See § 200.322 Procurement of recovered materials.