

**MINUTES OF WELLS CITY COUNCIL  
MEETING OF JUNE 27, 2023**

**CALL TO ORDER**

Date: Tuesday, June 27, 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**

Micheli made a motion to approve the meeting minutes dated June 13, 2023. Savedra provided the second and motion passed unanimously.

**CITIZENS TO ADDRESS THE COUNCIL**

There were none.

**PRESENTATION BY NEVADA PUBLIC AGENCY INSURANCE POOL AND  
POSSIBLE ACTION FOR APPROVAL OR DENIAL OF INSURANCE  
RENEWAL FOR FISCAL YEAR 2023-2024**

Leah Gregory was at the meeting with Anthony Barrington, Gregory's most qualified agent that can handle things when Gregory is not available. Gregory discussed the 17.8% increase with Pengelly and Nance. It was higher due to the loss. There was a higher deductible available, but Gregory didn't think it was worth it to go with the higher deductible because it was not that big of a savings to the city not having a lot of losses. Gregory stated she can be contacted for any questions that may come up.

Jared Hickman is part of the risk management team with Pool Pact. Hickman had a brief slide show on what Pool Pact is, the services provided, and information related to changes in coverage. Hickman reviewed the slide show and offered to answer any questions anyone had for him. Pengelly asked what the city's losses have been over the last five years. Hickman stated the city had averaged one claim per year with a couple of years with no claims filed. On average, roughly \$56,000 per year in losses which includes the recent medical center claim. The city's claim history is very favorable. Goolsby made a motion to approve the insurance renewal for fiscal year 2023-2024 for Pool Pact. Savedra provided the second and motion passed unanimously.

**DISCUSSION AND POSSIBLE ACTION TO APPROVE OR DENY VARIANCE APPLICATION TO ALLOW NON-CONFORMING 1995 MANUFACTURED HOME AT TOBAR STREET, PACIFIC ADDITION NO. 2, LOT 1, BLOCK C, APN # 002-743-001 - LAYLA MURPHY**

Layla Murphy began that she had purchased a piece of property on Tobar Street several years ago and wanted to place a home on the property for her daughter to live in. A search was started for gently used manufactured homes and one was found in Idaho. Candy Welsh has seen the home and it is in very good condition on the interior but the outside is in need of some maintenance and a paint job. Murphy didn't think the ask was out of line because a lot of the homes in Pacific Addition are approaching twenty years old and are manufactured homes. The home would be put on a foundation. Pollock stated that he was sure Murphy was well aware of the other requirements required per the code. Pollock thought the appearance of the home was not outdated but could use some paint and would be a contingency if approved. Quinn stated the code doesn't allow old homes to be brought in. Pollock stated that is why there is the option for a variance and something the council can vote to approve.

Pollock continued that now is the time for anyone opposed to speak. Ron and Ginger Moschetti live in this neighborhood and were against the manufactured home being brought in as it is non-conforming and against code. Moschetti's picked this area of town to live in because it would be newer homes. Candy Welsh understands the age of the home as she actually lives in one of the oldest homes in town but feels it is one of the nicer homes. Welsh continued that there are several homes in this area that may be newer but are not maintained. Ron Moschetti added that shipping containers were not to be allowed in this neighborhood either but the council approved one next door that he has to look at every day that has not been improved and is against this. Welsh thinks this is a deterrent to bring new citizens into town. Moschetti agrees with that but doesn't think they should lower their standard of living where they are living. Moschetti agreed that

there are houses on that block that are not being taken care of but that is out of his jurisdiction.

Nicole Rodriguez stated twenty years ago when they were in escrow to purchase their house, a family came to get approval from the city for the same type of thing. Beautiful pictures were provided of the home in Spring Creek they were going to move from Spring Creek to Wells. It looked very nice in the pictures. Rodriguez has to look at that house every day and it has never looked nice like the pictures in the twenty years she has lived there. There is no driveway, the yard is not maintained, there have been tires on the roof to keep the shingles on and this was something that the council approved. Rodriguez thinks most of the people in the neighborhood have the same feelings about this house. Welsh thinks there are newer houses out there that are in worst shape than this home they want to bring in. Welsh asked if there was another section of town this home would be allowed. Murphy stated the code that a manufactured home must be five years old or newer is for the whole town.

Savedra stated that a code enforcement officer has been put in the budget that will hopefully start in July. No one wants to clean up the town more than the council. This has nothing to do with the home they want to move on to that property. Savedra mentioned that back in 2020, someone wanted to move and did move an old, manufactured home onto a lot and Savedra was against that. Savedra continued that if we don't follow the code with this home being more than twenty-five years old and older than what the code allows, then why have the code. Savedra doesn't think the home has aged well looking at the pictures provided and Savedra cannot support this. Murphy wanted to point out that the code only applies to manufactured homes. Murphy feels when a manufactured home is converted to real property, it qualifies as a stick-built home. Ginger Moschetti feels that if this one is allowed, then another will be allowed and another. Ron Moschetti added this is nothing against the family, and is against old homes being brought in. Murphy stated this family cannot afford to live here otherwise and the only other option is to leave the community. Savedra added or find another home.

Goolsby inquired what the price variant was between modular and stick built. Welsh has been looking for quite some time. At their current residence, the rent is \$1,300 for a three-bedroom one bath home where some are paying nothing. Murphy added that a stick-built package has not been found within their budget. A metal framed building was located that is just the frame with no interior walls for \$120,000. Inflation is killing everyone and if a new manufactured home was affordable, it would not arrive in time. The family is being evicted because their income is too high for the colony housing. It appears the colony would rather have vacant units than successful families on the reservation.

Nance stated that she feels the five-year code hurts the city. With all of the colorful homes in the mobile home park, they will be there until they fall to the ground. Nance agrees with Rodriguez regarding the home that is not maintained in the neighborhood but feels this code may need to be looked at in the future. Nance thinks it is in place to help

the city but feels it is also hurting the city. Murphy added that when that code was written, which was prior to Murphy being mayor, manufactured homes were affordable and that is not the case anymore.

Goolsby wanted to know if the age of the home was the biggest complaint from those opposed to this home and the answer was yes. Ginger Moschetti is also concerned with property values. Pollock felt with it on a foundation it should not negatively affect property values. Pollock understands all sides and why have the code if it is not going to be enforced. Pollock continued that there are thirteen stipulations in the code regarding this matter and there is only one of these stipulations the home does not comply with. This code was written in good faith to promote growth in the community. Pollock thinks this variance should be allowed on the stipulation it is painted once it gets here and has all the faith in the world the property will be maintained.

Diana Arvizo, director of home ownership programs for Nevada Rural Housing Authority has been listening to this conversation and is a housing expert. Arvaizo felt compelled to share some information so more facts are available regarding this discussion. When a manufactured home is moved from its first location, for a second time, that home will not be eligible for FHA or conventional financing. To sell that home, it would not be eligible for financing and would only be eligible for seller financing. There are certain limitations and there will be restrictions on the ability to sell that home. Goolsby stated that could affect the housing in the area if there is a home that cannot be sold. Goolsby doesn't want them to get in a situation like this. Pollock added that may negatively affect the property values of the neighbors. Murphy added it would be equivalent to a home that is not on a foundation or a railroad tie home. Murphy stated she was not aware that moving this home from its current location would make it not qualify for financing. Murphy continued that for her, this changes things with the new information. Pollock thinks it changes his decision with this new information and does not want to negatively affect the property values of the neighbors.

Goolsby thought there had to be some program available or something to help. Murphy stated they have done some looking but they don't meet the requirements for a Habitat for Humanity home. Pengelly thinks agenda item #10 may help the situation. Micheli asked if this item could be revisited after hearing item #10 on the agenda to see if it could help. Nance stated it could be tabled but a decision would have to be made at the next meeting. Murphy is also concerned because the variance was submitted and code states another variance cannot be asked for on this property within a year. Goolsby made a motion to table until the next meeting. Micheli provided the second and motion passed unanimously. Nance told Pollock that the agenda items could be taken out of order.

**DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION 23-12,  
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WELLS, NEVADA  
PROVIDING FOR THE TRANSFER OF THE CITY'S 2023 PRIVATE  
ACTIVITY BOND VOLUME CAP TO THE NEVADA RURAL HOUSING  
AUTHORITY AND OTHER MATTERS RELATED THERETO**

Diane Arvizo, director of home ownership programs for Nevada Rural Housing Authority, began her presentation. Arvizo stated if she can be of service in anyway, is just a phone call away. Arvizo is at the meeting to make the annual request for these funds. These funds are pooled together from other cities and counties to fund single family home ownership programs. The City of Wells has been a partner with NRHA since the home ownership program was launched in 2006.

Every year, the Treasury issues to each state a certain portion of bond cap based on population. In Nevada, the state retains 50% of the bond cap that is issued and the other 50% is issued to the cities and counties based on population. If there is no request for that bond cap for a qualified purpose, NRHA comes and asks for the unused cap to be transferred to them to be used for rural home ownership programs. Otherwise, it would revert back to the state which would happen on September 1<sup>st</sup>. This money would go to Clark and Washoe counties for multi family housing projects in most cases. By transferring it to NRHA, it is guaranteed it will be used in rural Nevada.

In the City of Wells, NRHA has helped seventeen home buyers by giving \$2.7 million in affordable mortgages to those seventeen home buyers. Those home buyers received \$81,000 in down payment assistance and some received a mortgage tax credit. This opens the door for more people to qualify today and afford a home. NRHA is asking the City of Wells to continue to support the transfer of the unused bond cap to NRHA so they can insure that continues to stay in rural Nevada. This is not money on our budget or dollars we must account for, it is just bond cap authority. This is the ability to issue debt to be transferred to NRHA so it can be converted to mortgage credit certificates. Savedra made a motion to approve Resolution 23-12 for the City of Wells, Nevada providing for the transfer of the city's 2023 private activity bond volume cap to the Nevada Rural Housing Authority and other matters related thereto. Goolsby provided the second and motion passed unanimously.

Arvizo continued that the NRHA is celebrating its 50<sup>th</sup> year in Nevada and serves all of the areas in Nevada that have population under 150,000. Their programs cover a very diverse group of borrowers with varying needs. Arvizo continued to review the programs available through NRHA including the Home at Last program that offers twelve different forms of down payment assistance under that one program. NRHA offers FHA financing, two different forms of conventional financing, USDA financing for rural communities and VA financing. The latter two are 100% financing but can also provide down payment assistance with no money out of pocket.

There are also some specialty programs that come and go. Right now, they have the Home Means Nevada rural down payment assistance program that is funded with American Rescue plan grant funding offering \$15,000 of down payment assistance paired with a first mortgage that has a below market interest rate. All of the down payment assistance is forgivable. The Home Means Nevada program has a three-year forgivable program which expires the end of next year or until funds run out. The Home at Last Program and Home Means Nevada program can be layered, not together, but with some other programs. Rural Nevada Development Corporation (RNDC) has a program that

provides up to \$10,000 that can be paired with the down payment assistance programs. The USDA has a program that is for lower income borrowers. The program called USDA Direct is a loan provided directly from the USDA to buy or put a new home on property and will subsidize the interest rate to as low as 1% based on income and will also pair with the RNDC \$10,000. Qualifying for USDA Direct financing is the most affordable financing. The mortgage payment will be fixed based on what you can afford from time to time. If your income goes down, your rate will go down to the equivalent of 1%. USDA will do new manufactured home purchases on land and will do resale homes. Arvizo will be happy to serve as a resource. For those in need of repairs to their homes, need new roofs or windows and are lower income, USDA has a repair program. Those who qualify can get a grant and don't have to pay it back. Those who have to pay it back, pay it back at 1%. There is so much more available out there than people realize. The council thanked Arvizo for all of the information provided.

### **DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION 23-10, RESOLUTION TO AUGMENT THE FISCAL YEAR 2022-2023 BUDGET FOR THE CITY OF WELLS**

Nance began that every year before the end of the fiscal year, any extra revenue received beyond what was budgeted for, can be moved around to account for the extra expenses that were not budgeted for. Nance went over the various funds and what needed to be transferred. Nance stated that if the budget is not augmented and the city overspends, the city will receive a write up through the state. Micheli made a motion to approve Resolution 23-10, a resolution to augment the fiscal year 2022-2023 budget for the City of Wells. Goolsby provided the second and motion passed unanimously.

### **DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION 23-11, RESOLUTION FINDING THAT IT IS IN THE BEST INTEREST OF THE CITY OF WELLS TO DISPOSE OF CERTAIN REAL PROPERTY WITHOUT OFFERING THE PROPERTY TO THE PUBLIC AND FOR THE AGREED UPON SALE PRICE FOR THE PURPOSE OF ECONOMIC DEVELOPMENT**

Pengelly stated this is for a five-acre parcel in the heavy industrial park. NGEN Solutions, aka Satview Broadband wants to bring fiber into the airport and the heavy industrial park. NGEN wants to build a building to be used as a substation and employ four or five people. The property will be appraised if this is approved. Micheli made a motion to approve Resolution 23-11, a resolution finding that it is in the best interest of the City of Wells to dispose of certain real property without offering the property to the public and for the agreed upon sale price for the purpose of economic development. Savedra provided the second and the motion passed unanimously.

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

Micheli made a motion to approve the Warrant Register dated from June 15, 2023 through June 27, 2023 in the amount of \$187,316.82. Goolsby provided the second and the motion passed unanimously.

## **COUNCILMEN'S REPORTS**

Savedra stated she has two meetings to attend tomorrow and will give an update on them at the next meeting. Savedra wanted to congratulate those that put on the softball tournament as well as the Wells Family Resource Center golf scramble. There was a good turnout for both.

Micheli has been out helping at the golf course which is looking really good. The paving is almost completed at the parking lot for Maverik. The car show will be July 28-30<sup>th</sup>.

Goolsby stated the golf tournament had a great turnout and the greens looked amazing. There were a lot of compliments from people that came from Spring Creek, Elko and Wendover about how good the greens look.

Pollock thanked everyone who came to the meeting tonight to express their concerns and opinions on this hard item on the agenda. Pollock and Pengelly attended the NGM economic development meeting in Wendover. It was in an informative meeting. Pollock and Pengelly were able to meet the Mayor of Wendover and went to the air base museum which was amazing. After getting back in town, both went to the Maverik, met with the superintendent of the construction project and went through the building. No definite date of opening was given but keys will be turned over to Maverik on July 25<sup>th</sup>.

## **STAFF REPORTS**

Pengelly mentioned the background check for the Alamo was completed by the sheriffs department and everything came back good.

Pengelly stated the Maverik likes to open on Thursdays. Semis full of product will be brought in to stock the store and will have it open within 24 hours. There are two inspections left on Maverik; the CO2 monitoring and the final inspection.

Pengelly talked with Tim Lovell from IHC and their legal team has cleared the contract. Lovell has a few more changes to make but the final contract will be on the next agenda. Then it will have to be reviewed by our legal team.

## **CITIZENS TO ADDRESS THE COUNCIL**

Quinn stated she would like to address a few things that she hopes can be changed within the year. She and a dozen other people decided to hang gay pride flags on their homes in celebration of gay pride. Quinn stated her flag was ripped down three times. Another person had theirs ripped down a couple of times and then burned. A neighbor paid a teenager to take another's flag and burn it in their yard. Everyone has a friend or knows

someone who is gay or lesbian. Quinn would like the city to put rainbow colors around the marquee next year for gay pride. Quinn would also like to see Juneteenth and Cinco de Mayo recognized in our community. Quinn thinks it is sad we have hate in our community. The only way to get around hate is through kindness and acceptance. Quinn would like to encourage everyone to think of a way to do something.

Ron Moschetti also wanted to state that the golf tournament had an excellent turnout and the course was in great shape.

**ADJOURNMENT**

The meeting adjourned at 8:47 p.m.

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**GARY POLLOCK, Mayor**

ATTEST:

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**SAMANTHA NANCE, City Clerk**