

**MINUTES OF WELLS CITY COUNCIL  
MEETING OF APRIL 23, 2024**

**CALL TO ORDER**

Date: Tuesday, April 23, 2024  
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  
Laura Moore-DelRio, Councilwoman  
Chris Micheli, Councilman  
CR Beth Savedra, Councilwoman

Absent: None

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 the meeting minutes dated April 9, 2024. Micheli provided the second and the motion passed unanimously.

**CITIZENS TO ADDRESS THE COUNCIL**

Richard Peltier, Manager at Nevada Gold Mines Long Canyon, announced that there will be a meeting at the Wells Boys & Girls Club on May 2, 2024 at 10 a.m. This will be a community engagement to give an update as to what is happening out at the site and what NGM is doing across the county. This meeting is open to anyone who wants to attend. Food and beverages will be provided as well as Q & A. These meetings have been hosted in Wendover for the last two years.

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Kim Ciniello stated that the minutes were not provided to the public and would be a great benefit if they were. Zander stated that until the minutes are approved, they are not put on the website but also added that they are included in the agenda packet online. Ciniello stated that the librarian, Ciniello and others were not able to find them. Ciniello also stated that the last ones on the website were from May.

Secondly, W business, a presentation was made last week about a proposal, for whatever reason it is still not clear. Ciniello didn't say anything about the Fire Department not selling alcohol or non-profits cannot sell alcohol anywhere. It was an idea to make it safer for the dance, to make it more competitive for Ciniello to open for the dance and to provide the fire department with a way to actually get more money for the dance. Last year, Ciniello spent over \$5,000 providing food truck alley and made nothing off that. Ciniello provided it because the car show needed food and also donated to the fire department. This year, it is obvious the city just wants it traditional. Ciniello will not provide lighting and will not provide food truck alley. Ciniello also provided extra liability insurance last year.

It does seem that in previous years, the city or the car show organizers, not sure which, decided they were going to put porta-potties on private people's property. That is not going to happen this year. Ciniello will not be paying extra liability insurance if the city does not want to cooperate with local property owners just for this dance. The city will have to provide supervision for the sale of alcohol for their non-profit, will have to provide no trespassing violations so that there is no risk of falling in the dark, no trespassing, no vandalism, stuff like that for a place where the buildings are vacant. Obviously Ciniello is not the only one with this problem. Look at the tourism center that has no trespassing signs all over it. The owner of that has made her complaints known that she doesn't want car show people parking there. Ciniello also, in the process of this, is formally applying to be on the agenda so she can present this reasonably not just in the public forum but present her idea. Ciniello filled out all the forms necessary. Ciniello was not informed she wasn't going to be on the agenda until she called and spoke to the city finance manager who said that the board had met after the meeting of April 9<sup>th</sup> and that they had made the decision that she would not be put on the agenda. Nance stated she did not say that. Ciniello told Nance she wanted a formal letter since she had to fill out the application, she wanted a formal letter as to why she can't appear on the agenda. Ciniello did not receive a response and Nance stated she would have to talk to the mayor.

Ciniello received an email from the mayor, and she printed all of them out. Pollock stated that all council members have been made aware of this. Pollock continued that her agenda request needs to be put into one sentence of what she wants to say, and it will be put on the agenda. Pollock stated that he, as the mayor, can put whatever he wants on the agenda or take whatever he wants off the agenda and wants that to be clear. Pollock continued that he wants to be clear that there was no meeting that Ciniello alleges that there was some sort of secret meeting to conspire against her. Ciniello said she wasn't alleging that; she was told that by the city finance manager. Ciniello stated that she had printed off the email chain and offered copies to the council members and people in the audience who did not take any.

Ciniello continued that on city stationery, instead of the mayor replying directly, Mr. Pengelly did on city stationery. The very first paragraph is textbook SLAPP which is reportable to the State of Nevada as a complaint form. Nevada's anti-SLAPP rules are very clear so basically Mr. Pengelly stated that if Ciniello continued asking these questions that the city would sue her for defamation. It is in a letter right here. Pollock asked Ciniello to read the letter in full. Ciniello stated she could pass it around as it would be more time efficient. Nance offered to read it. Ciniello added that she is sure the city finance manager who has overstepped Mr. Pengelly when she has gone to him with issues and he has approved them, overstepped and went to the head of the health department at one point to just assert what Mr. Pengelly allowed, so she would read the letter. Ciniello stated this was from Mr. Pengelly dated April 22, 2024 and is in response to the reply Ciniello gave to the mayor which if anyone wants to look, she has it all there. Pollock added that he was happy to share that with him and everyone else who allegations were made against. Ciniello was happy to share this with the public and Pollock stated please do. Kim Ciniello, I am writing, and this is the first paragraph and this is why the city attorney should be advised. I am writing in regards to your email dated April 18, 2024 to Mayor Pollock. To start, a number of comments and accusations contained in your email are provably false. Please be advised that the written or spoken publication of false statements may result in legal recourse for defamation and may subject you to liability which could result in awarding compensatory and punitive damages. Ciniello stated this is why you need to consult your city attorney. That is literally something used to intimidate and prevent people from exercising their rights under the first amendment. It is NRS 41.635 and 670. You fill out the form and send it to the attorney general. Pollock advised Ciniello that the city attorney reviewed the letter before it was submitted. Ciniello stated that was great.

Ciniello continued that the people who came to the meeting last night, Ciniello made it really clear what the only reason she was here. Savedra interrupted and stated that Ms. Ciniello has already been proven to be a liar, lied last time at the council meeting. Pollock called for order in the meeting. Ciniello asked if Pollock wanted her to finish reading. Pollock replied no that he wanted her to hand it out and be finished with her comment. Ciniello stated again, first amendment rights and that will be in the complaints. Pollock stated he appreciated her concerns and asked if anyone else wanted to speak and there was no one. Goolsby stated to be clear for the record, there is a difference between first amendment and what is alleged to be slander. Goolsby stated council wasn't there and this has to be allocated later but as far as naming someone by name and/or an accusation by definition is slanderous. If it hasn't been corroborated, that is what is being referenced there. It is one thing to cherry pick a document and say what you want about it but when you mention someone by name and an allegation, that could be slanderous and Ciniello is being warned of that in this letter and that is all that is, a warning. Ciniello stated it needs to be investigated. Goolsby stated before any investigations can be done, the city must let Ciniello know of what possible allegations can come forth from that. The first amendment is stating a fact of I believe I am being singled out because of x, y and z, that is the first amendment right. When you start pointing out people by name on an official document that is made public, that is where it becomes slander. That is all the city is letting Ciniello know about, that is all Ciniello is

being notified of it is not a threat, the city is just telling Ciniello how it is. As Mayor Pollock has already stated, our attorney has already reviewed the document.

**ELKO COUNTY MANAGER, AMANDA OSBORNE, TO ADDRESS THE BOARD OF COUNCIL REGARDING AD VALOREM PROPERTY TAX RATES AND HOW OVERLAPPING ENTITIES AND DISTRICTS IMPACT EACH OTHER'S TAX RATES**

Osborne stated she was at the meeting to give an overview of how property taxes work in Nevada as well as discussing the school district. The Nevada Constitution caps the property tax rate at \$5.00 per \$100 of assessed value. The NRS caps the property tax rate at \$3.64 per \$100 of assessed value. In 2002, there was a voter approved override which allows for \$.02 above the \$3.64 tax cap. There is also a cap on property values in terms of assessment. The legislative change stemmed from the housing crisis in the early 2000's. At the time, property taxes were based on market value instead of assessed value. Now, the assessed value is 35% of the taxable value. Ad valorem means according to value, property tax rate. There is real property and personal property tax. Manufactured homes that are not converted to real property are also considered personal property as well as aircraft and billboards.

Real property is valued by estimating the land taxable value, the whole cash value of the land as well as looking at the location, any improvements made to the property and zoning. Improvements are valued at the current replacement cost less depreciation. Depreciation is 1 1/2 % per year for a maximum of fifty years. A property on the tax rolls is fully depreciated after fifty years. Depreciation does not reset once a property is sold, and the depreciation stays with the property and doesn't go with the owner. Personal property is different, there is a personal property manual the Nevada Tax Commission approves each year. It also comes with depreciation but is based on the asset and the life of the asset.

Every year, each property owner receives notice of assessed valuation. That notice shows both the assessed value as well as the market value. The assessed value is 35% of that taxable value. Any improvements made to the property will increase the value of the property, but the assessed value is based on 35% of that taxable value. The notice is to help property owners understand what that increase could possibly look like. For owner occupied residents, property tax cannot increase more than 3% each year. If it is commercial property and nothing has changed, that property tax cannot increase more than 8% over the prior year.

Per the statute, local government revenue cannot increase more than 6% over the previous year and that includes new construction. If building is done on new property, for the first year, those taxes do not get abated and are not subject to that 6% revenue increase to the county or city. Revenues may also be limited by abatements, credits and exemptions. Abatements can be something like a renewable energy source that comes into the community. Those can be eligible for abatements and are given by the Governor's Office of Economic Development. There are also individual exemptions.

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Surviving spouses, veterans, disabled veterans can also apply for an exemption and generally those exemptions are applied for through the Elko County Assessors Office. The state tax rate is determined by the legislature, the county tax rate is determined by the county commissioners and the indigent fund is set by NRS 428. There are also unincorporated towns within the county that can have tax rates that are recommended by the town advisory board and the county commission can set those rates. For the incorporated cities of the county, each of the city councils are responsible for setting the tax rate. The school district's operating rate is set by statute and that is \$.75. All those rates combined cannot exceed \$3.66.

In 2020, during the general election, pay-as-you-go for the school district was on the ballot to be approved. Every ten years, this funding needed to be reapproved by the voters. In the 2020 general election, voters did not approve continuing that \$.75 capital funding for the school district. The school district declared an emergency because of losing their funding and decided to have a special election. A question was proposed to the voters to approve \$150,000,000 bond which was replacing the pay-as-you-go funding that was going to be lost. During that time, Elko County and the City of Elko hired a tax consultant. The revenue that was currently being generated for the \$.75 pay-as-you-go would have essentially been pennies on the dollar. Osborne and a county commissioner met with each city manager and worked together to figure out what each city could take and what was needed. At the time, Elko County took \$.50, each of the incorporated cities took \$.20 and the tv district absorbed \$.05. At this point in time, the City of Wells has \$.05 that is available to them if they would like. Some pro forma numbers could be run to see what type of revenue that would generate but do not think it will be a whole lot.

In the last legislative session, there was a bill that came through that required Elko County to either levy a tax rate above the tax cap and gave the authority to go \$.25 above the tax cap so instead of the \$3.66 it would have been \$.25 above that or could reallocate some of the current funds. Out of that \$.50, \$.20 was reallocated to the school district which will start being received July 1, 2024. Pollock thanked Osborne for explaining this. In terms of setting tax rates, there is a due date from the Department of Taxation and is generally the middle of February. It is too late for this next fiscal year so there is time to work through the details and figure out what the revenues generate. If a city wants to increase the tax rate, the Department of Taxation will have to be notified by February 15<sup>th</sup>.

#### **DISCUSSION AND POSSIBLE ACTION TO APPROVE OR DENY SPECIAL LIQUOR LICENSE FOR MAINSTREET MALL CINCO DE MAYO EVENT MAY 4, 2024**

Jolene Supp with Mainstreet stated a Cinco De Mayo event would be held May 4, 2024. The high school football team would be barbecuing chorizos at the mall. The merchants will be outside, outside seating will be available and margaritas, bottled beer, canned margaritas and seltzers will be served. Quinn stated that Supp always asks for liquor permits to draw people to her business. In all the years Supp was city manager, Quinn had requested many times for Supp to do something for Cinco De Mayo and nothing was

ever done. Savedra was concerned with the flyer that was submitted because it said the high school football team was serving margaritas. Jennifer Rodriguez stated that the football team would be selling chorizos only and the Mainstreet people would be serving the drinks. Pollock thought this was a good way to draw people to small businesses and Pollock supports small businesses. DelRio made a motion to approve the special liquor license for the Mainstreet Mall Cinco De Mayo event May 4, 2024 as long as the flyer is edited and it doesn't say the football team is serving margaritas. Goolsby provided the second and the motion passed unanimously.

### **DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE STAFF TO SUBMIT CCCHP GRANT FOR THE EL RANCHO**

Pengelly stated that the city is asking for \$90,000 with a \$10,000 in kind match to start the next phase at the El Rancho. This would be to redo the plumbing from the alley to the inside so it is ready to go upstairs. This would also include insulating the main floor, sheetrock the main floor and repairing some plaster. After this is done, the floors will be repaired or replaced. One quote was received for \$104,000. Pengelly stated there may be one more phase after this but this will cover a big part of the building. This needs to be submitted by April 30<sup>th</sup>. The last grant was just closed out. Savedra made a motion to authorize staff to submit the CCCHP grant for the El Rancho. Micheli provided the second and the motion passed unanimously.

### **DISCUSSION AND POSSIBLE ACTION TO APPROVE USDA REVOLVING LOAN APPLICATION FOR SPENCER FULLER**

Pengelly began that he and the committee met last week. The committee recommended approving this application in the amount of \$10,000 at 4% interest. Fuller has applied twice before and has never been late and has paid the loans off early. This loan will be used to put a new roof on the building at 497 Sixth Street and provided an estimate of \$36,000. Micheli made a motion to approve the USDA Revolving Loan Application for Spencer Fuller. DelRio provided the second and the motion passed unanimously.

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

Goolsby made a motion to approve the Warrant Register dated April 11, 2024 through April 23, 2024 in the amount of \$91,148.31. Micheli provided the second and the motion passed unanimously.

### **COUNCILMEN'S REPORTS**

Savedra stated that she, Nance and Pengelly had a meeting with NNRDA where CEDS (comprehensive economic development strategy) reports were reviewed. Items on the list were checked off. The NNRDA monthly meeting was cancelled.

DelRio is glad to see Pollock and Nance at the park and would like to suggest the council take another look at the plans Scott Stewart prepared a few years ago for an overlay of what the park could be. DelRio would like this put back on the agenda to see what can be done to make the park more feasible for people that use the park every day.

Goolsby began that he was sure everyone had seen the pinwheels around town. For those that are not aware, the pinwheels are for child abuse awareness month for the month of April. This brings awareness to the community. Remind your children that if they are having a problem, say something and talk to an adult they trust.

Pollock referred to the last meeting regarding getting more funding through the legislature for the clinic. More letters of support were needed from community members. Several people were contacted, and Pollock was surprised with all the letters received. Tim with Intermountain was excited with the letters provided.

Pollock wanted to make it abundantly clear that he has never once broken any open meeting laws, never had a secret meeting, never once violated an open meeting law and wants that to be a matter of public record.

Opening ceremonies for little league were held with a great turnout and raised a lot of money. The park is very busy with all the kids.

## **STAFF REPORTS**

Pengelly reported that a pre-bid meeting was held for the Shoshone Avenue project last Thursday. The bids are due by 10 a.m. on May 2, 2024. Bid opening will be on the agenda for the May 14, 2024 meeting. Two contractors attended the meeting. This will be curb, gutter and sidewalk from Sixth Street hopefully all the way to I 80.

The Golden Spike monument will be at the park tomorrow from 4 p.m. to 6 p.m., traveling from San Francisco to Utah. A representative from the county commissioners will be in attendance as well as some veterans, the high school band and choir. There will also be a community potluck after.

Pengelly stated it is a good thing that the parks are full. Baseball fields take time to build. Pengelly ordered two portable backstops to put at the soccer field. If they work out, Pengelly will order a couple more. There are a lot of things that need to be done as far as building a field. The city needs to build a couple, but Pengelly feels the high school needs to build their own girls softball field. The school has a boys baseball field, but they do not have a girls softball field. That won't happen within one or two years. The school district needs to be contacted to get this done. Savedra stated she has a meeting with the school district and will bring this up. Classrooms are needed more than gymnasiums. Classrooms need to be built first, then start working on recreation. At some point, the little league needs to go to a school board meeting requesting a girls softball field needs to be provided by the school district.

## **CITIZENS TO ADDRESS THE COUNCIL**

Quinn asked if there could be money for the 9<sup>th</sup> street park. Some people go there and use the barbeques and would like to see a bathroom in this park. Quinn also reported that in the last two days, the governor has released money for solar projects. She thinks this needs to be looked in to.

Kim Ciniello suggested it isn't correct to celebrate Cinco De Mayo anymore, but May Day is. On the El Rancho, Ciniello thinks the city picks and chooses who they enforce commercial code with. Ciniello personally uses a commercially licensed contractor, Dixon is wonderful. The city is not held to the same regulations. They are using that and is going to eventually be used as a commercial purpose and should be using a licensed contractor. As far as approving Spencer for another loan, that is again someone that may or may not always get the correct permits and use a licensed contractor. Ciniello has been in the buildings. Walls are put up, electrical, bathrooms, plumbing not from a licensed contractor. So, if this funding for this loan does go in, perhaps a stipulation be that they use a licensed contractor to do the work. Ciniello stated that the city was talking about her using slander and defamation lawsuits, she (Savendra) called Ciniello a liar in a council meeting, and I think you were going on about business licenses. Savendra said she was not. Ciniello stated she has a business license under Kim Ciniello, LLC and has another one that the relatives of her ex-partner claim they have not obtained, K & M Excavation. Ciniello has been trying to get those records, apparently everyone is related. Again, this is not stated publicly, the city is directly responsible for protecting private property during the dance. She tried; it is not going to happen. The area traditionally chosen is now an attractive nuisance. There is no lighting, there are no businesses there, it is vacant and crumbling buildings and obviously you guys don't really want me to open so it is not reasonable to pass the increased burden of liability on to the adjacent property owners. So, to address this, especially because you are insisting that the fire department with untrained people serving alcohol, people don't check for licenses, they don't check age requirements, so you have a bunch of drunk people with no lights and no food right there on the highway. The city must increase the patrol so that those people can't go on private property. That is the last thing I am asking here because it is obvious you are not going to approve anything.

Richard Peltier stated that NGM also has other funding available for smaller cities. There is funding available for 501C3 businesses, up to \$5,000 per application with one application approved per year. This can be used for ball fields, lighting or any sports project or families that need assistance for children wanting to participate in sporting events. Shauna Evans in community relations helped Wendover with several projects. Several invites were sent out for the meeting on May 2<sup>nd</sup>. Anyone who didn't get an invite but wants one can let Peltier know.

Willow Spencer asked why the bathrooms at the park were locked. Spencer goes for walks and the park bathroom was not open. Pengelly asked when this was, and Spencer stated it was before Easter. Pengelly stated that there is no heat in the bathrooms, so they are not open until right before sports start and depends on the weather.

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**ADJOURNMENT**

The meeting adjourned at 8:04 p.m.

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**GARY POLLOCK, Mayor**

ATTEST:

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**SAMANTHA NANCE, City Clerk**