

February 25, 2019

The regular meeting of the Yerington City Council was held in the Council Chambers at 10:00 a.m. with the following present:

Mayor George Dini
Council Members Selena Catalano, John Garry, Larry Reynolds and Terceira Schunke
City Attorney Chuck Zumpft
Chief of Police Darren Wagner
Public Works Director Jay Flakus
Administrative Director/Interim City Clerk Sheema Shaw

Guests: Chief Scott Draper of the Mason Valley Fire District, Tim Dyhr of Nevada Copper, David Ray, Dave & Deb DeGrendele and Amy Alonzo of the Mason Valley News

Agenda Approval

Mayor Dini stated that we will remove item A from Revoke Business Licenses as they have paid all fees.

Councilwoman Catalano made a motion to approve the agenda with the removal of item A from revoked business licenses, seconded by Councilwoman Schunke and passed unanimously.

Minutes

City Attorney Zumpft stated that under department reports, with reference to the Bureau of Indian Affairs (B.I.A.) the minutes state “the packet that he sent to them”. City Attorney Zumpft stated he did not send a packet, the packet was sent by Farr West Engineering.

Councilman Reynolds made a motion to approve the minutes of February 11, 2019, with the changes, seconded by Councilwoman Schunke and passed unanimously.

Revoke Business Licenses Due to Non-Payment for 4th Qtr. October – December 2018

- A. Hair Corral, 1 S. Main St., Yerington, NV 89447
- B. Subway of Yerington, 198 Goldfield Ave., Yerington, NV 89447
- C. ABC Fire Extinguisher Co. Inc., 1025 Telegraph St., Reno, NV 89502
- D. Computer Problems Repaired, 28A N. Main St., Yerington, NV 89447
- E. Diana Backore, 1794 Harper Dr., Carson City, NV 89701
- F. Johnson Controls Security Solutions, LLC, 1105 S. Rock Blvd. Suite 128, Reno, NV 89502

Councilman Garry made a motion to revoke business licenses B through F, seconded by Councilwoman Catalano. Mayor Dini asked for public comment, there were no public comments and the motion passed unanimously.

Approval of a Change Order from Clean Harbors for the Completion of the Waste Water Treatment Plant Sludge Removal Project

City Manager Switzer stated that last September Council signed a contract with Clean Harbors Environmental Services to remove sludge out of our lagoon ponds. The amount of the contract was \$315,000 plus a \$42,000 recovery fee.

City Manager Switzer stated that in December it was discovered that one of the ponds had different dimensions to be cleaned out than originally thought. It was discovered that this pond is sloped and apparently those measurements were not picked up by the city. In addition there was a buildup of sand in the pond that was more than estimated. Both of those items added to the issue of removing the sludge from that pond.

City Manager Switzer stated that the contractor approached Farr West Engineering with a change order of approximately \$89,000 to do the additional work. Farr West Engineering did an analyses and came back with a recommendation of a \$40,000 change order based on their estimates of the additional work to be done.

City Manager Switzer stated that Farr West Engineering went back to the contractor with that counter offer which was declined. City Manager Switzer stated that he will be meeting with Farr West Engineering and Clean Harbors on Thursday of this week to continue negotiations.

City Manager Switzer stated that Clean Harbors has completed the originally estimated work they were contracted to do and have moved on to other jobs.

Councilman Reynolds asked if the \$42,000 in reserves has been paid to Clean Harbors. City Manager Switzer stated that we have paid \$242,528 to date toward the \$315,000. Farr West Engineering wanted to file a claim on the performance bond; however, in consultation with City Attorney Zumpft that would not be wise on the City's part as we need to fulfill our part of the obligation assuming the work has been done.

Mayor Dini asked if we had any amounts owing to Clean Harbors at this time. City Manager Switzer stated that he would like to determine that in a face to face meeting with Clean Harbors. City Manager Switzer stated that the invoices that we have received to date come to the \$242,528. City Manager Switzer stated that he is unaware of any other invoices, unless Farr West Engineering has some under review.

Councilman Reynolds asked if Clean Harbors has done any work on the pond in question. Public Works Director Flakus stated that one pond has been cleaned completely, while a second pond has been cleaned 90% and the final two ponds were not touched. The problem with the pond that was cleaned 90 % is that it is sloped and filled with sand. Clean Harbors stated that they have removed the sludge but were unaware of the hard packed sand and they were not paid for its removal.

Public Works Director Flakus stated that if Clean Harbors walks away from the project we are better off than we were; however, the job is not done.

Councilman Reynolds asked if the project was for four ponds or two. Public Works Director Flakus stated that it was for a volume. The volume was an estimate by Farr West Engineering. Public Works Director Flakus stated that they are also having issues getting monthly reports from Clean Harbors. These reports are needed as Peri's must report the amount of water and sewage that is placed on their fields. We will need those reports for the calendar month of February.

Councilwoman Catalano asked if she was correct in stating that we have reached the volume as stated in the original agreement with Clean Harbors. The \$89,000 change order is to finish removing the remaining sludge and we have not negotiated the other two ponds yet. Public Works Director Flakus stated that is correct.

Mayor Dini stated that we have a growing community and asked if we have the room in our system to accommodate a potential request from Atlantic Richfield to bring their sewage down from Weed Heights and into our system. Public Works Director Flakus stated that we are permitted for .78 million gallons a day and we use about .23 million.

Mayor Dini stated that we do not want to move forward with this item until all our questions and concerns are addressed.

This item was tabled and no action was taken.

Approval of Recommendation to Change Utility Billing to Postcards

City Manager Switzer stated that he has conducted an analysis of the way we currently do our billing for utilities. City Manager Switzer stated that in our current process a return envelope is included with the monthly billing and it has been reported to him that customers will bring

back the unused envelope in hopes of it being recycled into the next billing, which is commendable; however our current billing service will not accept those as returned.

City Manager Switzer stated that he has spoken with our current vendor which is Advanced Information Systems and they indicated that they do not currently process utility postcard billing. The representative stated that he does not want to lose our business and could give us a \$75.00 a month savings; however, the savings that we have come up with on the utility postcards will far exceed that. Currently we pay .689 cents, which included postage and processing for our current billing. The monthly fee is approximately \$1,676.00 per month to send our bills to our customers.

City Manager Switzer stated that if we switch over to postcards the cost is about 40 cents each which comes to a total cost of \$972.00 per month. This would be a savings of \$704.00 per month or \$8,400.00 per year.

City Manager Switzer stated that once we change to the postcards there may be comments from customers that the mailman can see their billing. City Manager Switzer stated that it is his understanding that there is no presumption of privacy in this type of situation. There are other entities in the area that use postcards.

City Manager Switzer stated that the recommendation is to have Freedom Mailing, out of Orem Utah, complete our utility processing and printing. City Manager Switzer stated for the record he has done business with Freedom Mailing in the past. The advantage is that they can integrate with our accounting system, Caselle, as well as Xpress Bill Pay. There is also an option to use a barcode and scan in the information which can cut down on errors when inputting information.

Mayor Dini stated that \$8,400 is a significant amount of savings for the City of Yerington. Councilwoman Catalano stated that \$8,400 speaks volumes.

City Attorney Zumpft stated that regarding the privacy of the postcards; the financial affairs of the city are public record.

City Attorney Zumpft stated that he also works for the Gardnerville water company and they bill bi-monthly. If the city were to change to a bi-monthly billing the city would see a higher savings. City Manager Switzer stated that there may be some other ramifications to that, such as your collectable's may go up as a percentage.

Councilwoman Catalano asked if we would put some type of notice on the billing prior to the switch to let our customers know that we will be moving to postcards? Public Works Director Flakus stated that he could add a line to the billing.

Councilwoman Schunke made a motion to approve a recommendation to change the utility billing to postcards, seconded by Councilwoman Catalano. Mayor Dini asked for public comments, there were no comments and the motion carried unanimously.

Direct Agreement Among the City of Yerington (the "Contracting Party") and Nevada Copper, Inc. a Corporation Incorporated under the Laws of the State of Nevada (the "Borrower"), and KfW IPEX-Bank GmbH, as Collateral Agent (together with its Successors, Designees and Assigns in such Capacity, the "Collateral Agent") to Grant Successor Interests to KfW IPEX-Bank GmbH on the NCI-City Water Agreement.

Tim Dyhr of Nevada Copper addressed the council and stated that they are on a short time frame and understands that the City Attorney has not had an opportunity to review the agreement.

Mr. Dyhr stated that this agreement is for refinancing and gives Nevada Copper a better rate. It also gives Nevada Copper an opportunity to look for future financing.

City Attorney Zumpft stated that there are some blanks to fill in and it should not take long to complete.

Mayor Dini stated that we will table this matter and bring this back at the March 11, 2019 meeting.

Review Bills Previously Submitted for Payment

Bills, Salaries and Vouchers:

Accounts Payable Checks	2-12-2019	30560 through 30581
	2-12-2019	30561 (voided)
Payroll Vouchers	2-11-2019	2141901 through 2141917
Payroll Checks	2-11-2019	30553 through 30558
Transmittal Vouchers	2-11-2019	2111901
Transmittal Checks	2-11-2019	30559

Councilwoman Schunke made a motion to approve the bills as submitted, seconded by Councilman Garry. Mayor Dini asked for public comments, there were no comments and the motion passed unanimously.

Department Reports

Chief Wagner reported that there have been a rash of burglaries and they have a suspect.

Public Works Director Flakus reported that his Cross Connection Plan is due to the state by Friday. One of the requirements is to create and distribute a flyer to educate the public. Public Works Director Flakus stated that he will send an employee to school to be certified in backflow preventers. This will be a huge project.

Public Works Director Flakus reported that waterline plans for Nevada Copper have come through. They cannot build much more without a fire protection plan.

Public Work Director Flakus reported that the bathrooms at the parks are being used with no water in them. We will be purchasing new locks to keep people out when the water is off. Mayor Dini suggested putting out a couple of port-a-pottys during the winter months.

Public Works Director Flakus reported that he is complying our NDOT mileage report. The report has changed from last year and they are now requiring a GIS map.

Councilman Reynolds asked what the progress is for water at the cemetery. Public Works Director Flakus stated that he has informed Rob Dunbar at Lyon County that the well needs to be fixed. Public Works Director Flakus stated that we would like to run some driplines and improve the area. We will also be spraying for weeds.

City Manager Switzer reported that he will attend the Rotary meeting tomorrow night.

City Manager Switzer reported that he has sent a demand letter and invoice to Skyfiber. This is a private entity that has communication equipment on our water tank that has been there since September 2017. The invoice is for a total of \$14,000, \$895.00 per month. City Manager Switzer stated that he is working on an agreement for Skyfiber with City Attorney Zumpft. This agreement would come before council with a \$1,000 per month lease agreement and a 5% increase every 5 years.

Councilman Reynolds asked if there are any inquires for setting up new subdivisions. Public Works Director Flakus stated that there are no formal requests at this time.

Mayor Dini stated that the Yerington Paiute Tribe has filed two law suits regarding the ARCO settlement. Mayor Dini stated that we have spent 25 years trying to get this where it is today. There are new accusations of non-participation and such, it might just kill this plan just as it is hitting the ground. Mayor Dini stated he is very concerned about this issue.

Mayor Dini stated that we have a very similar circumstance as to what we had several years ago when there was a large water runoff. We have a large snowpack, 175% of average on the Walker side. There are always unforeseen circumstances in this type of weather and we could have another situation here.

There being no further business the meeting was adjourned.

Mayor of the City of Yerington

ATTEST:

Administrative Director/Interim City Clerk