

May 13, 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 (arrived at 10:05 a.m.)
Chief of Police Darren Wagner
Public Works Director Jay Flakus
Administrative Director/Interim City Clerk Sheema D. Shaw

Guests: David Ray, Walter Breese, Linda Edwards, Anne Phelan, Jerry Bryant, Amy Alonzo of the Mason Valley News and Chief Scott Draper of the Mason Valley Fire District

Agenda Approval

Councilman Garry made a motion to approve the agenda as presented, seconded by Councilwoman Schunke and passed unanimously.

Minutes

Councilwoman Schunke stated that she did not attend the April 8, 2019 meeting and her name should be moved to absent. Interim City Clerk Shaw stated that she would make that correction.

Councilwoman Schunke made a motion to approve the minutes of April 4, 2019 Budget Workshop and April 8, 2019 Regular meeting with corrections, seconded by Councilwoman Catalano and passed unanimously.

Business Licenses

The following business license applications were presented for review and approval:

- B. Luke Marshall Steel dba Lukes Handyman Service, Painting, 612 Gabbs Street Yerington, NV 89447-New
- C. Valley Collision Body Shop, 705 E. Bridge St. Yerington, NV 89447-New

Councilman Reynolds made a motion to approve the business license applications as presented, seconded by Councilman Garry. Mayor Dini asked for public comment, there were no public comments and the motion passed unanimously.

Write-off Final Billed Customers with Balances from 2007 through 2017

City Manager Switzer stated that he has done an analysis on past due utility accounts. City Manager Switzer stated that it is his understanding that there was an attempt in the past to write off these accounts which total a little over \$17,000 and go back to 2007.

City Manager Switzer stated that we have several options: We can write them off, thereby removing them from our aging records, we can pursue turning them over to a collection agency, we can continue to carry the aged accounts and continue to try to collect or per NRS 268.043, section 1, we could by ordinance action send those past debts to the County Treasurer and have them collected on the regular property tax roll. We would pay a 4% processing fee to the treasurer.

Councilwoman Catalano stated that it is her opinion they should go to collections and be held accountable. A lot of these people are still here. If there is a way to tag their accounts so they cannot apply for new service until they pay prior amounts we should look into that option.

Mayor Dini stated that 90% are not property owners, they are renters. How would we attach it to them. City Manager Switzer stated that it would be attached to the property if we used the option to attach to the tax roll at which point the property owner would be responsible.

Mayor Dini stated that there are a lot of notable names on the list that live and work in town that should pay and could easily be collected. Mayor Dini stated that Western Dairy Specialties went bankrupt and that amount should have been a write off that year. Mayor Dini stated he was surprised at how lengthy the list was as it is our policy to shutoff after two months of no payment.

Councilman Reynolds asked if we should go with the option of a collection agency, would there be a fee for the city? City Manager Switzer stated that we would submit a list of those accounts to be collected and they would tack on 20% to that amount, which would be retained by them once the customer pays.

Councilwoman Catalano stated that we should refund any credits and write off any amounts \$5.00 and under.

City Attorney Zumpft stated that he encouraged council to consider option #4. Once a lien is there, it lives forever, there is no statute of limitations and is a good tool once in place.

Councilman Garry stated that the amounts have been outstanding for a long time and would be in favor of running through a collection agency with anything under \$5.00 being written off. Mayor Dini stated that he would be in favor of writing off anything under \$20.00. Councilman Reynolds stated that perhaps we should start by sending them a letter, they may have forgotten about the amounts owing.

Councilwoman Catalano stated that if they do go to collections they will fall off of that list after seven years. City Manager Switzer stated that we could advertise in the Mason Valley News first and wait 30 days before moving forward. Mayor Dini stated that we could publish the list in the paper. City Manager Switzer stated that we could do a combination if that was the approach the council wanted to take.

City Attorney Zumpft stated that he has dealt with many collection agencies and he is not sure if the obligation can be 20% higher than the amount owed. City Attorney Zumpft stated that it is his experience that it is normally a 60%/40% split with the agency; however, every company is different. City Manager Switzer stated that this company works with the Justice Court system in White Pine County and has been very successful. City Attorney Zumpft asked if they had Judgements in White Pine County. City Manager Switzer stated that he believed that to be so. City Attorney Zumpft stated that the City of Yerington does not have Judgements.

Councilwoman Catalano stated that we could also put an article in the paper that stated if you paid off any outstanding billing within 30 days we would give 20% off of the bill. Post 30 days it will be turned over to a collection agency and 20% will be added to the amount owing as a fee to the agency.

Mayor Dini stated that a final review of the list should occur before moving forward as we can identify some of these customers.

Councilwoman Catalano made a motion to place a notice in the Mason Valley News offering a discount of 20% to settle bad debts with the water/sewer utility within 30 days or the account information will be turned over to a collection agency, seconded by Councilwoman Schunke. Mayor Dini asked for public comments, there were no comments and the motion carried unanimously.

Re-assignment of a Lease Agreement Dated December 12, 2016 from Highlands Wireless, Inc., A Nevada Corporation to Keystone Property Management, LLC.

City Manager Switzer stated that this is a name change to a current lease held by Highlands Wireless Inc.

Mayor Dini asked if this was the company that did not give first right of refusal. City Manager Switzer stated that is correct. City Manager Switzer stated that the current agreement that we have with Highlands Wireless Inc. stated that if Highlands Wireless entered into a sale of their business they would give the city first right of refusal, which they have not.

City Manager Switzer stated that he has met with Highlands Wireless Inc. and they have agreed to exclude the city and county from the non-compete clause that is in the current agreement. City Manager Switzer stated that he has reached out to the City Attorney to help draft an amendment that will be submitted to the council.

City Attorney Zumpft suggested that this item be tabled until the amendment could be drafted. City Manager Switzer agreed.

This item was tabled.

Recruitment of a Patrol Officer Using Internet Sites Such as Indeed.com and Offer a Sign on Bonus of \$5,000

City Manager Switzer stated that we have been recruiting for a police officer for several months without success. This proposal would step up our recruitment. We would have a more aggressive approach on-line.

Chief Wagner stated that we are having a hard time recruiting. The bonus is the new trend and many agencies are offering them. Law enforcement is suffering nationwide and many agencies are offering them.

Chief Wagner stated that one of our downfalls is the residency requirement. Officers need to live here; if they do not live here, they cannot answer calls. Mayor Dini stated that we need to look at the residency requirements. Chief Wagner stated that it may be time to review it and he has two officers that will move should it become an option.

Councilwoman Catalano asked what kind of commitment do officers make when hired as an officer. Chief Wagner stated that we could structure the contract anyway council would like. If you hire someone at our starting wage of \$22.01 an hour without POST, 40 hours a week is \$880.00 times 16 weeks equals \$14,000 that we will pay in wages for them to attend the academy. That amount does not include any benefits, medical, dental, vision, PERS, workers' comp., travel cost or academy equipment costs. Chief Wagner stated that it costs the city over \$20,000 in cost to send someone to the academy.

Chief Wagner stated that if we send someone to POST and through FTO in-house, they sign a three year contract. Chief Wagner stated that if the council chooses to approve the \$5,000 bonus it would be added to that contract.

Mayor Dini stated that we are at a critical time and we need to make a good decision to attract applicants. Mayor Dini stated that we need to offer the \$5,000 bonus and we may need to change the residency requirement.

Mayor Dini asked if the Sheriff's Department is obligated to help with calls if we need it. Chief Wagner stated that we have a very good relationship with the Sheriff's office.

City Manager Switzer stated that the \$5,000 would be given as follows: Once they are qualified they would be given \$2,000 on the first day and then \$1,500 a year on the anniversary date for the next two years.

Councilwoman Catalano made a motion to approve recruitment of a patrol officer using internet sites such as Indeed.com and offer a sign on bonus of \$5,000 with increments of \$2,500, \$1,250 and \$1,250 over the three year contract, seconded by Councilman Reynolds. Mayor Dini asked for public comments, there were no comments and the motion carried unanimously.

36-month Agreement with TRI Utility Cost Reductions, Inc., 225 Glades Road Suite 324A, Boca Raton, FL 33431, for Reduction of Utility Costs Including Gas, Power, and Telecommunications

City Manager Switzer stated that TRI is a private company that research's utility bills for the previous eight years and reviews them for possible refunds that we would then share with them 50/50.

Mr. Walter Breese of TRI stated that TRI does audits on utilities looking for refunds, if none are found, the service is free. If there are refunds, we share that with TRI and Sustainable Tomorrow which is a nonprofit organization. In other municipalities they have averaged 90% where people receive refunds. Mr. Breese stated that \$19-Billion is overcharged to customers in the United States.

City Manager Switzer stated that there is a clause on page one of the contract stating that the information is confidential; however, we are a public entity and therefore that information is not confidential, it is public information.

City Attorney Zumpft stated that the fifth paragraph, the last sentence of that paragraph should be stricken. This will be a public document.

City Attorney Zumpft stated that he had a question on the third paragraph. Who is TRI submitting the information to? Mr. Breese stated that it would be submitted to Sustainable Tomorrows. City Attorney Zumpft stated that he thinks this might be trying to protect TRI's work product and we can address and work through that.

City Manager Switzer stated that we may want City Attorney Zumpft to review the contract with TRI and bring it back to council.

Mayor Dini stated that this item would be tabled

Resolution No. 2019-01, a Resolution of the City Council of the City of Yerington Regarding Its Intention to Issue Tax-Exempt Obligations and to Reimburse the City From Proceeds of Such Obligations for Costs Incurred Prior to Issuance (Water System Improvements and Sewer System Improvements)

City Manager Switzer stated that the proposed resolution updates one that was passed by Council in 2017. That resolution memorialized the fact that the city will be acquiring a loan for the construction phase of the water/sewer project and will then be reimbursed by USDA in the form of a forty year loan. Our bond counsel recommends that we update this resolution at this time. The resolution from 2017 was for a time period of 18 months and has expired. This resolution is for a period of three years which should cover the entire project.

Councilwoman Schunke made a motion to approve Resolution No. 2019-01, a Resolution of the City Council of the City of Yerington Regarding Its Intention to Issue Tax-Exempt Obligations and to Reimburse the City From Proceeds of Such Obligations for Costs Incurred Prior to Issuance (Water System Improvements and Sewer System Improvements), seconded by Councilwoman Catalano. Mayor Dini asked for public comments, there were no comments and the motion carried unanimously.

Investment Opportunities with Wells Fargo for Available City Funds

City Manager Switzer stated that the City has \$8.1-million in our checking account. Currently the City is doing nothing with those funds. It is earning a small amount in interest, .0275%. We make enough in that checking account to pay our fees to the bank and those fees wipe it out.

Mayor Dini stated that for public information, the \$8.1-million does that include our enterprise funds? City Manager Switzer stated that is everything the city has. It is our working capital. Some of those funds are restricted to paying bills and projects that have already been approved by the council.

City Manager Switzer stated that there is a method that fulfills any NRS requirement and that would be to invest a certain amount of cash into CD's. In the past those types of investment interest instruments pay more interest for a long term. The market has flipped this past year and in some cases you can make more on a one month CD than you can with a three year CD.

City Manager Switzer stated that the City could designate a portion to invest in short term CD's. The CD's are insured by the U.S. Government which has a maximum of \$250,000. If we took \$2-million and put it into multiple CD's we could roll those over and renew. The current earning rate is 2.3%, we would make \$50,000 on a yearly basis.

City Manager Switzer stated that we would direct where that money goes as far as the CD's, we would pick the terms and the banks we want to invest in. If we redeem those investments, need the funds for some reason that would be a same day transaction. Councilwoman Catalano asked what the penalties would be. City Manager Switzer stated that the penalty would be whatever the market rate is. There is also no fee to invest in the CD, the brokerage fees are paid by the banks who put their money on deposit for the CD's.

Councilwoman Catalano stated that she can see the advantages, but she is a little nervous about Wells Fargo. Mayor Dini agreed that Wells Fargo has had some bad press the last few years. City Manager Switzer stated that we do not have to go through Wells Fargo to invest money.

City Attorney Zumpft stated that as far as the FDIC, isn't it a \$250,000 limit per investor? City Attorney Zumpft stated that he did not believe that you could break up \$2-million into eight CD's. City Manager Switzer stated that you can as long as you do not exceed the \$250,000, you can have multiple CD's. The FDIC covers the investment instrument, it is not to the issuer.

City Attorney Zumpft stated that Nevada has some pretty conservative statutes that identify permissible forms of investments by municipal and government entities.

City Manager Switzer stated that this is a good discussion to get things started and once we research we can provide assurance to the council on the best way to proceed.

Mayor Dini stated that this item will be tabled.

Retaining the Law Offices of Oshinski & Forsber, Ltd to Represent the City of Yerington in Negotiations for a New Collective Bargaining Agreement with the Yerington Police Officers Association

City Manager Switzer stated that he was approached by the Police Association representative wishing to open for negotiations on our agreement that expired in June of last year. City Manager Switzer stated that he has received a copy of the proposed agreement and did not see anything egregious in the agreement; however, we do want to make sure we have counsel as we move forward.

City Manager Switzer stated that Charlie Cockrill, our former Labor Law Counsel, has retired and is no longer available. City Manager Switzer stated that he did consult with City Attorney Zumpft and he did recommended that if we decided to pursue this, that we retain a firm that would specialize or has done labor law in the past.

Mayor Dini asked what the fee will be. City Manager Switzer stated that it would be \$250.00 an hour; however, they do not require a retainer fee.

City Attorney Zumpft stated that in 2012 the city engaged Mr. Forsber for a project regarding a development agreement with Nevada Copper and in his opinion well worth it.

Councilman Garry asked if this agreement has an ending date. City Manager Switzer stated that it would end as soon as the negotiations were done.

Councilman Reynolds made a motion to retain the Law Offices of Oshinski & Forsber, Ltd to represent the City of Yerington in negotiations for a new collective bargaining agreement

with the Yerington Police Officers Association, seconded by Councilman Garry. Mayor Dini asked for public comments, there were no comments and the motion carried unanimously.

Review Bills Previously Submitted for Payment

Bills, Salaries and Vouchers:

Accounts Payable Checks	04-10-2019	30797 through 30829
	04-16-2019	30830 through 30843
	04-23-2019	30851 through 30873
	04-30-2019	30874 through 30900
Payroll Vouchers	04-08-2019	4111901 through 4111920
	04-23-2019	4251901 through 4251924
Payroll Checks	04-08-2019	30792 through 30795
	04-23-2019	30844 through 30848
Transmittal Vouchers	04-08-2019	4081901
	04-23-2019	4231901
Transmittal Checks	04-08-2019	30796
	04-23-2019	30849 through 30850

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.

Public Participation

Ms. Linda Edward and Ms. Ann Phelan, residents of Yerington, addressed the council and stated that they were here to complain about the ALIVE domestic house. Ms. Edward stated that it had come to her attention that the City of Yerington owns this house. Chief Wagner stated that the City does not own it. Mayor Dini stated that ALIVE owns it.

Ms. Edward asked what would be done with the house. There is garbage in the back next to her fence. Ms. Phelan stated that they had spoken with someone from ALIVE. They know the location of the house is supposed to be a secret; however, there are men going in and out of the house all the time.

Mayor Dini stated that there have been some issues with the ALIVE organization, not only the house, but the building on Main Street. He has been told that ALIVE will be closing that facility. Mayor Dini stated that the Main Street facility has become a fire hazard. The front of the building also has furniture out front that needs to be moved.

Chief Wagner stated that the ALIVE organization is in a precarious situation they are kind of “defunked”. Their manager is deceased and the organization is in limbo and no one knows who to contact. The District Attorney’s office is also looking into it because there is a funding mechanism attached to it.

Public Works Director Flakus stated that a nuisance action needs to be signed by a complainant.

City Manager Switzer stated that he will look into the matter and if appropriate by our nuisance ordinance, we will take action.

Mayor Dini welcomed Mr. Jerry Bryant who will become a councilmember July 1. Mr. Bryant state that he is looking forward to his term on council.

Department Reports

Chief Wagner stated that the former police Department building and Sheriff's offices will be coming down by the end of the week. The Sheriff's office has been very accommodating and his department has settled into their temporary office.

Public Works Director Flakus stated that Clean Harbors has completed their work on the sewer ponds and have left. There is 3 to 4 inch's of sludge left in the southeast pond, they are filling the pond and he will be speaking with City Manager Switzer regarding the purchase of "Bugs" for the ponds.

City Manager Switzer reported:

- Counsel for Skyfiber has contacted us regarding a counter offer.
- New utility billing postcards are out.
- ARCO is moving forward with moving the Weed Heights sewer onto our system.

There being no further business the meeting was adjourned.

Mayor of the City of Yerington

ATTEST:

Administrative Director/Interim City Clerk