



102 South Main Street ♦ Yerington ♦ Nevada ♦ 89447  
PHONE: 775 463-3511 Website: www.yerington.net FAX: 775 463-2284  
The City of Yerington is an Equal Opportunity Provider

YERINGTON CITY COUNCIL  
MEETING AGENDA  
December 16, 2019 – 10:00 A.M. - CITY HALL

1. Meeting called to order, roll call reported and Pledge of Allegiance.
2. Public Participation/Comments: Public comments(s) shall not be restricted based on content or view point – No action will be taken  
Public Comment on any item not on this agenda, and pertinent to the City Council, will be received during the Public Participation/Comment portion of this meeting. The presiding officer will invite public comment pertaining to those matters on this agenda during the council’s consideration of each individual matter, and before action, if any, is taken. Public comment is limited to three (3) minutes per person, per item, unless additional time is permitted by the presiding officer.
3. For Possible Action: Review and Approval of Agenda.  
NOTICE RE: NRS 237: When the City Council approves this agenda, it also approves a motion ratifying staff action taken pursuant to NRS 237.030 *et seq.* with respect to items on this agenda, and determines that each matter on this agenda for which a Business Impact Statement has been prepared does impose a direct and significant economic burden on a business or directly restrict the formation, operation or expansion of a business; and that each matter which is on this agenda for which a Business Impact Statement has not been prepared does not impose a direct and significant economic impact on a business or directly restrict the formation, operation or expansion of a business.  
  
Public Comment on any item not on this agenda, and pertinent to the City Council, will be received during the Public Participation/Comment portion of this meeting. The presiding officer will invite public comment pertaining to those matters on this agenda during the council’s consideration of each individual matter, and before action, if any, is taken. Public comment is limited to three (3) minutes per person, per item, unless additional time is permitted by the presiding officer.
4. For Possible Action: Approval of the Minutes of the October 28, 2019 Regular Meeting.
5. For Possible Action: Approval of New, Renewal and Name Change Business License Applications.
  - A. Pro Arms Nevada, LLC, Firearms Sales, Transfers & Appraisals, 113 N. Main St. Yerington, NV 89447-New
  - B. Clear Connection Corporation, Low Voltage Construction, 372 Wolverine Way Sparks, NV 89431, Mobile-New
  - C. Sartini Gaming, LLC, Slot Route Operator for Tailgaters, 517 W. Bridge St. Yerington, NV 89447-New
  - D. Raymond Brent Hammack dba Hammack Bros Construction, Residential Construction, 22 Shelter Hills Dr. Yerington, NV 89447, Mobile-New

- E. Hernandez Electric, LLC, Electrical Contractor, 340 Freeport Blvd Suite 1 Sparks, NV 89431, Mobile-New
  - F. Cosco Fire Protection, Inc., Fire Sprinkler/Fire Alarm System Installation, 3620 W. Reno Ave. Suite K Las Vegas, NV 89118-New Single Project
  - G. Master Service Plumbing, Inc., Plumbing Contractor, 325 Sunshine Lane Reno, NV 89502-New Single Project
  - H. ExtracTech, LLC, Industrial Hemp Processing, 103 McLeod Yerington, NV 89447 - New
6. For Possible Action: Revoke Business Licenses Due to Non-Payment for 3<sup>rd</sup> Qtr. July – September 2019.
- A. W. Zachary Monahan dba: O.A.K Customs, 20 Spence Lane Yerington, NV 89447
  - B. All Eagle, LLC, 4865 Joule St. #C3 Reno, NV 89502
  - C. Laura TK Pesonen dba: Laura’s Books, 2708 Michelangelo Ct. Sparks, NV 89434
  - D. Flor Torres dba: La Oaxaquena, 111 W. Goldfield Ave. Yerington, NV 89447
  - E. Wearin Brush Cutting & Tractor Service, LLC, 16 E. Lemos Ln. Yerington, NV 89447
7. For Possible Action: Discussion and Approval of the City Audit Report for Fiscal Year Ending June 30, 2019 as Presented by Sciarani & Company.
8. For Possible Action: Discussion and Approval of a Quote From QTpod for a Self-Serve Fueling Terminal, Model M4000, in the amount of \$11,795.00
9. For Possible Action: Discussion and Approval of an Engagement Letter with MacLeod Watts for FY 2019-20210 OPEB Actuarial Valuation Services in the Amount of \$7,300.00
10. For Possible Action: Discussion and Approval a Bid for the Purchase of a Mini-Excavator for the Public Works Department in the Amount of \$69,356.00 From Cashman Equipment, 600 Glendale Ave Sparks NV 89491, as the Most Responsive Bidder.
11. For Possible Action: Discussion and Approval of a Memorandum of Understanding (MOU) Between the Lyon County School District and the City of Yerington for a School Resource Officer (SRO).
12. For Possible Action: Discussion and Approval of a Grant of Easement Between the City of Yerington (“Grantor) and Sierra Pacific Power Company, A Nevada Corporation, d/b/a NV Energy (“Grantee”) for a Portion of the South ½ of the Southeast ¼ (S ½ SE 1/4/) of Section 24 and the East ½ (E ½) of Section 25, Township 13 North, Range 25 East, M.D.M., Lyon County, Nevada; Situated Within that Parcel of Land Described as Parcel I of a Record of Survey in Support of a Parcel Map Waiver for the City of Yerington, Recorded as File Number 542177 on October 12, 2015 Official Records of Lyon County, Nevada, Also Known as “Y-Hill”, APN 001-661-01.
13. For Possible Action: Discussion and Approval of a Contact with Stremmel Auction Inc. 200 S. Virginia Street, Reno NV 89501, for Auction Services to the City of Yerington.

14. For Possible Action: Discussion and Approval to Dispose of one Beechcraft Model 18, Twin Engine Aircraft, Tail Number N41780 Located at the Yerington Municipal Airport.
15. For Possible Action: Discussion and Approval of a Procedure to Reserve the Buck Aiazzi, Neil Herrin, Pat Peeples and Reviglio Baseball Fields.
16. For Possible Action: Discussion and Approval of Limits on Hours the Feild Lights will be on at the Buck Aiazzi, Neil Herrin, Pat Peeples and Reviglio Baseball Fields.
17. For Discussion Only: Discussion on the Proposed Strategic Planning Meeting to be Held at the Boys & Girls Club of Mason Valley on January 10, 2020.
18. For Possible Action: Discussion and Approval of a Special Use Permit Application. The Applicant, Southern NV Fire Protection/Blunt Farms, Intends to Dry and Process Agricultural Hemp at 130 State Route 339, APN 001-451-02.
19. For Possible Action: Discussion and Approval of an Application for Renewal of Existing Special Use Permit for Pony Express Village LLC, APN 001-231-28.
20. For Possible Action: Review Bills Previously Submitted for Payment.
21. Public Participation/Comments: Public comments(s) shall not be restricted based on content or view point – No action will be taken.
22. Department Reports and City Manager Report, Council Comments - No action will be taken.

Copies of all documents discussed herein may be attained at City Hall, 102 S. Main Street, Yerington, Nevada 89447.

This is a tentative schedule for the meeting. The presiding officer reserves the right to take items in a different order to accomplish business in the most efficient manner, and may combine two or more agenda items for consideration. Items may be removed from this agenda or delayed for later discussion.

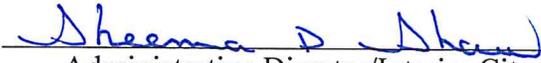
**NOTICE TO PERSONS WITH DISABILITIES:** Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the Administrative Director/Interim City Clerk at 463-3511 in advance so that arrangements may be made.

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 of the information requested in the form. Mail your completed complaint form or letter to the U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410; or fax to (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).

I, Sheema D. Shaw, do hereby certify that the foregoing agenda was duly posted December 11, 2019 at the following locations:

Yerington City Hall, Yerington Post Office, Lyon County Court House, Lyon County Administrative Complex.

For questions or supporting materials regarding this agenda, please contact Sheema D. Shaw at (775) 463-3511.

  
Administrative Director/Interim City Clerk

**ITEM**

**#4**

October 28, 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 John Garry  
Council Members Jerry Bryant, Selena Catalano, Shane Martin and Terceira Schunke  
City Manager Robert Switzer  
City Attorney Chuck Zumpft  
Chief of Police Darren Wagner  
Public Works Director Jay Flakus  
Administrative Director/Interim City Clerk Sheema D. Shaw

Guests: Chief Scott Draper of the Mason Valley Fire District, David Ray, Frank Pizzo, Amy Miller of the Chamber of Commerce, Amy Alonzo of the Mason Valley News, Deb & Dave DeGrendele and Matt Van Dyne of Farr West Engineering.

#### Public Participation

Ms. Deb DeGrendele addressed council and stated that 406 Paul needs to be cleaned up. Ms. DeGrendele stated that two of her neighbors have attended a city council meeting requesting that the yard be cleaned up. Ms. DeGrendele stated that she filed a complaint this morning.

Ms. DeGrendele stated that she has a friend, Ms. Lori Jensen that lives at 611 Cartwright who spoke with her on Saturday and stated that she had called the City of Yerington Police Department and complained about the constant barking of a German Shepard who is housed at 416 Paul Ave. A few days later Ms. Jensen's car stopped running short of town and was towed to Wild West Chevrolet where it was discovered that there was diesel fuel in the tank. Ms. Jensen stated that a few days after that an officer came out to discuss the complaint and the diesel fuel in the tank; however, as there was no proof of a crime nothing could be done.

Ms. DeGrendele stated that Ms. Jensen had two questions for city council. The first question is: Does Yerington run on the good ol boy theory? If a complaint is filed, is the name of the person that complained given out and does the buck get passed and nothing gets done? Ms. Jensen would like to know what is being done about the barking dog complaint.

Ms. DeGrendele stated that she observes this dog all the time and she barks at everyone that is on the sidewalk and most vehicles that come down Paul Ave. Ms. DeGrendele stated that she has observed this dog jumping waist high to the fence and biting at children as they walk by.

Mayor Garry thanked Ms. DeGrendele for coming before council on behalf of her neighbors and that the respective departments would be looking into the matter.

## Agenda Approval

City Manager Switzer stated that he would like to remove agenda items 5 and 6 to be addressed at a future council meeting.

Councilwoman Schunke made a motion to approve the agenda as presented, seconded by Councilman Martin. Mayor Garry asked for public comments, there were no comments and the motion carried unanimously.

## Minutes

Councilman Martin made a motion to approve the minutes of October 14, 2019, seconded by Councilwoman Catalano. Mayor Garry asked for public comments, there were no comments and carried unanimously.

## Re-Align the Mayor's Committees to: Administrative Committee, Public Safety Committee and Public Works Committee

City Manager Switzer stated that we currently have eleven committees, most comprised of one or two members and lacking public input. The idea is to consolidate the committees which would provide a better overview to the public and council. City Manager Switzer stated that the Mayor could appoint members of the public to those committees. The committees will look at potential issues and report to council.

Mayor Garry stated that Councilman Bryant has expressed interest in the Public Works Committee. City Manager Switzer stated that we would not be approving the members of those committees today that will come at a future meeting.

Councilwoman Catalano made a motion to approve the re-alignment of the Mayor's committees to: Administrative Committee, Public Safety Committee and the Public Works Committee, seconded by Councilwoman Schunke. Mayor Garry asked for public comments, there were no comments and the motion passed unanimously.

## Parcel Map Application, James Collins has Submitted a Parcel Map Application to Divide APN 001-032-04 into Two Parcels at 514 N. Oregon Street

Mr. Rich Christian of Denson Surveying address the council and stated that at this time we are looking at separating one parcel into two.

City Manager Switzer stated that on the final map there would be a notation that no further splitting of the property would be considered or allowed. City Manager Switzer stated that some jurisdictions have a policy that does not allow flag lot; the city does not have that policy at this time. The fire department has stated that there is sufficient ingress and egress on the property to bring in safety vehicles and the Planning Commission has recommended approval.

City Attorney Zumpft asked if it will be stated on the deed that there will be no further splitting of the property. Mr. Christian stated that the map will state there will be no further splitting of lot 7-A.

Councilman Bryant made a motion to approve the parcel map application, James Collin has submitted a parcel map application to divide APN 001-032-04 into two parcels at 514 N. Oregon Street, seconded by Councilwoman Catalano. Mayor Garry asked for public comments, there were no comments and the motion carried unanimously.

Amendment #3 for Additional Professional Services by Farr West Engineering for the City of Yerington Water Rehabilitation Project

City Manager Switzer stated that this document would amend our previous agreement with Farr West Engineering for the design element. This amendment would allow Farr West Engineering to do the construction staking. If the engineer completes the staking we can fold that cost into our grant rather than pay upfront.

Mr. Matt Van Dyne of Farr West Engineering addressed the council and stated that Farr West has done staking on multiple projects. The benefit of having Farr West do the staking is that they have done the design, the bigger benefit are the unknowns, where are the underground utility lines, if we find something we can stop and make changes as needed. They can generate a new plan sheet right away preventing any down time. Farr West will also have a full time inspector on site the entire time.

Councilman Bryant made a motion to approve amendment #3 for additional professional services by Farr West Engineering for the City of Yerington Water Rehabilitation project, seconded by Councilwoman Schunke. Mayor Garry asked for public comments, there were no comments and the motion carried unanimously.

Amendment #3 for Additional Professional Services by Farr West Engineering for the City of Yerington Sewer Rehabilitation Project

City Manager Switzer stated this is an extension of discussion under the previous item; however, this amendment will be for the sewer portion of the project.

Councilman Bryant made a motion to approve amendment #3 for additional professional services by Farr West Engineering for the City of Yerington sewer rehabilitation project, seconded by Councilman Martin. Mayor Garry asked for public comments, there were no comments and the motion carried unanimously.

Withdraw a CD for \$86,498.02 with Financial Horizons and Adding the funds into the Fixed Asset Fund

City Manager Switzer stated that we currently have a CD with Financial Horizons. The city does not make anything on this CD and stated to better utilize these funds, we could withdraw the funds and apply as revenue to the fixed asset fund. There will be a penalty

involved. City Manager Switzer stated that these funds are restricted; however, we may be able to move to the LGIP.

Councilwoman Catalano made a motion to approve withdrawing the CD for \$86,498.02 with Financial Horizons and adding the funds to the Fixed Asset Fund, seconded by Councilwoman Schunke. Mayor Garry asked for public comments, there were no comments and the motion carried unanimously.

Cancel the November 25, 2019 and the December 23, 2019 Council Meetings Due to the Holidays

City Manager Switzer stated that the scheduled date of the second council meeting in November and December fall on the week of the Thanksgiving and Christmas. City Manager Switzer recommended canceling those two meetings due to the timing holidays and the probability of council members and staff not being available.

City Manager Switzer stated that this would not preclude the council from having a special meeting if there is an item that needs to be acted on.

Councilman Bryant made a motion to cancel the November 25, 2019 and the December 23, 2019 council meetings due to the holidays, seconded by Councilwoman Catalano. Mayor Garry 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	10-8-2019	31548 through 31588
	10-14-2019	31589 through 31609
	10-17-2019	31610
Payroll Vouchers	10-24-2019	10241901 through 10241923
Payroll Checks	10-24-2019	31611 through 31617
Transmittal Vouchers	10-24-2019	10211901
Transmittal Checks	10-24-2019	31618 & 31619

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

Public Participation

There were no public comments

Department Reports

City Attorney Zumpft stated that there will be a meeting this Thursday on the USDA water/sewer project. Things are moving along. City Attorney Zumpft reported that we received a favorable judgement to abate the airplane from the airport property. There is an appeal period of 30 days. City Attorney Zumpft stated that it is his recommendation that the city does not act on this until the 30 days has expired.

Chief Wagner reported that things were steady.

Public Works Director Flakus reported that Public Works Assistants John Campi and Monte Stanton have been working on the street sweeper and it will be ready for the streets soon. Public Works Director Flakus reported that bid opening for the mini excavator will be held on November 30<sup>th</sup> at City Hall.

City Manager Switzer reported that he had printed a copy of the SF-10 for council's review. We will have this as an item on the November 12<sup>th</sup> agenda for discussion. Thereafter council will be provided a copy quarterly for review.

Councilman Bryant thanked City Manager Switzer for making himself available to council.

Mayor Garry acknowledged the work that City Manager Switzer is doing for the city putting us ahead of the curve.

There being no further business the meeting was adjourned.

\_\_\_\_\_  
Mayor of the City of Yerington

ATTEST:

\_\_\_\_\_  
Administrative Director/Interim City Clerk

**ITEM**

**#5**

**NEW BUSINESS LICENSE APPLICATIONS SUBMITTED TO THE CITY COUNCIL ON DECEMBER 9, 2019**

APPLICANT(S)	BUSINESS NAME	LOCATION	NATURE OF BUSINESS	COMMENTS	TYPE	H	F	B	S	BBB
A	Philip A. Bennett	113 N. Main St. Yerington, NV 89447	Firearms Sales, Transfers & Appraisals	New	P		X	X		
B	Kurk Moody & Travis Rodriguez	372 Wolverine Way Sparks, NV 89431	Low Voltage Construction	New	P/M		X	X		
C	Sean T Higgins	517 W. Bridgs St. Yerington, NV 89447	Slot Route Operator for Tailgaters	New-They own the slot machines at Tailgaters	P		X	X		
D	Raymond Brent Hammack	22 Shelter Hills Dr. Yerington, NV 89447	Residential Construction	New	P/M		X	X		
E	Rutilo Lara-Hernandez	340 Freepport Blvd Suite 1 Sparks, NV 89431	Electrical Contractor	New	P/M		X	X		
F	Ted Hanson	3620 W. Reno Ave Suite K Las Vegas, NV 89118	Fire Sprinkler/Fire Alarm System Installation	New Single Project- Doing business at Nevada Copper	M		X	X		
G	Marc & Gabrielle Totton	325 Sunshine Lane Reno, NV 89502	Plumbing Contractor	New Single Project	C		X	X		
H	David Neisingh, Tom Ortiz & Gabriel Froymovich	103 McLeod St. Yerington, NV 89447	Industrial Hemp Processing	New	P		X	X		

Business Status: \_\_\_\_\_  
 Business Licenses # 3103  
 Category # C  
 (official use only)

BUSINESS NAME: Pro Arms Nevada LLC

**FEE CALCULATION INFORMATION:** (No fees are refundable)

Application Fee: \$ 20.00  
 Choose One:  
 Permanent Business -- Billed Quarterly from Matrix. (refer to Instruction Page)  
 Short Term Project -- To be completed within 30 days. (\$50.00 Fee)  
 Single Project -- Single job to be completed within one year. (\$50.00 Fee)  
 TOTAL FEES PAID: \$ \_\_\_\_\_

**REQUIRED INSPECTIONS:**

Signatures must be obtained before your application can be placed on the City Council agenda. If your business will occupy a building then you will be responsible to call for these inspections and signatures #1 thru #3, signatures #4 and #5 are the responsibility of City Staff. \*Department Official – Attach comment page if necessary.

1. **Public Works** Phone: 775-463-2729  
 Approved  Denied [ ]  
 ZONING: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]  
           R-1 R-2 R-3 R-C C-1 C-2 M-1 N/A  
 Does business comply with existing zoning and current codes? Compliance  (yes) (no)  
 Building Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Public Works Director [Signature] \_\_\_\_\_ Date: 10/28/2019
  
2. **Fire Department** Phone: 775-463-2261  
 Approved  Denied [ ]  
 Fire Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Fire Chief [Signature] \_\_\_\_\_ Date: 10-28-19
  
3. **Nevada Health Dept.** Phone: 775-687-7550  
 Approved [ ] Denied [ ]  
 Inspector \_\_\_\_\_ Date: \_\_\_\_\_
  
4. **Police Department** Phone: 775-463-2333  
 Approved  Denied [ ]  
 Police Chief [Signature] \_\_\_\_\_ Date: 10-28-2019
  
5. **City Clerk**  
 Approved  Denied [ ]  
 City Clerk: [Signature] \_\_\_\_\_ Date: 10-28-2019
  
6. **City Council Approval**  
 Approved [ ] Denied [ ]  
 Mayor: \_\_\_\_\_ Date: \_\_\_\_\_

*Check List: (official use)*

State Business License [ ] YES [ ] NO [ ] N/A  
 Employee Insurance [ ] YES [ ] NO [ ] N/A

Business Status: \_\_\_\_\_  
 Business Licenses # 3104  
 Category # A  
 (official use only)

BUSINESS NAME: Glean Connection Corp.

FEE CALCULATION INFORMATION: (No fees are refundable)

Application Fee: \$ 20.00  
 Choose One:  
 Permanent Business -- Billed Quarterly from Matrix. (refer to Instruction Page)  
 Short Term Project -- To be completed within 30 days. (\$50.00 Fee)  
 Single Project -- Single job to be completed within one year. (\$50.00 Fee)  
 TOTAL FEES PAID: \$ \_\_\_\_\_

**REQUIRED INSPECTIONS:**

Signatures must be obtained before your application can be placed on the City Council agenda. If your business will occupy a building then you will be responsible to call for these inspections and signatures #1 thru #3, signatures #4 and #5 are the responsibility of City Staff. \*Department Official - Attach comment page if necessary.

1. **Public Works** Phone: 775-463-2729  
 Approved  Denied [ ]  
 ZONING: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]  
           R-1 R-2 R-3 R-C C-1 C-2 M-1 N/A  
 Does business comply with existing zoning and current codes? Compliance  (yes) (no)  
 Building Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Public Works Director [Signature] \_\_\_\_\_ Date: 10/28/2019
2. **Fire Department** Phone: 775-463-2261  
 Approved  Denied [ ]  
 Fire Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Fire Chief [Signature] \_\_\_\_\_ Date: 10-28-19
3. **Nevada Health Dept.** Phone: 775-687-7550  
 Approved [ ] Denied [ ]  
 Inspector \_\_\_\_\_ Date: \_\_\_\_\_
4. **Police Department** Phone: 775-463-2333  
 Approved  Denied [ ]  
 Police Chief [Signature] \_\_\_\_\_ Date: 10-28-2019
5. **City Clerk**  
 Approved  Denied [ ]  
 City Clerk: [Signature] \_\_\_\_\_ Date: 10-28-2019
6. **City Council Approval**  
 Approved [ ] Denied [ ]  
 Mayor: \_\_\_\_\_ Date: \_\_\_\_\_

Check List: (official use)  
 State Business License [ ] YES [ ] NO [ ] N/A  
 Employee Insurance [ ] YES [ ] NO [ ] N/A

Business Status: \_\_\_\_\_  
 Business Licenses # 3105  
 Category # A  
 (official use only)

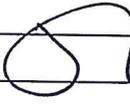
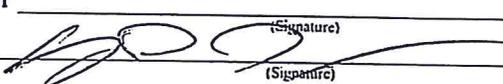
**BUSINESS NAME:** Sartini Gaming, LLC db at Tailgaters

**FEE CALCULATION INFORMATION:** (No fees are refundable)

Application Fee: \$ 20.00  
 Choose One:  
 Permanent Business -- Billed Quarterly from Matrix. (refer to Instruction Page)  
 Short Term Project -- To be completed within 30 days. (\$50.00 Fee) \$ \_\_\_\_\_  
 Single Project -- Single job to be completed within one year. ( \$50.00 Fee ) \$ \_\_\_\_\_  
 TOTAL FEES PAID: \$ 20.00

**REQUIRED INSPECTIONS:**

Signatures must be obtained before your application can be placed on the City Council agenda. If your business will occupy a building then you will be responsible to call for these inspections and signatures #1 thru #3, signatures #4 and #5 are the responsibility of City Staff. \*Department Official – Attach comment page if necessary.

1. **Public Works** Approved  Denied [ ]  
 Phone: 775-463-2729  
 ZONING: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]  
           R-1 R-2 R-3 R-C C-1 C-2 M-1 N/A  
 Does business comply with existing zoning and current codes? Compliance  (yes) (no)  
 Building Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Public Works Director  \_\_\_\_\_ Date: 10/28/2019
2. **Fire Department** Approved  Denied [ ]  
 Phone: 775-463-2261  
 Fire Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Fire Chief  \_\_\_\_\_ Date: 10-28-19
3. **Nevada Health Dept.** Approved [ ] Denied [ ]  
 Phone: 775-687-7550  
 Inspector \_\_\_\_\_ Date: \_\_\_\_\_
4. **Police Department** Approved  Denied [ ]  
 Phone: 775-463-2333  
 Police Chief  \_\_\_\_\_ Date: 10-28-2019
5. **City Clerk** Approved  Denied [ ]  
 City Clerk:  \_\_\_\_\_ Date: 10-28-2019
6. **City Council Approval** Approved [ ] Denied [ ]  
 Mayor: \_\_\_\_\_ Date: \_\_\_\_\_

**Check List: (official use)**

State Business License [ ] YES [ ] NO [ ] N/A  
 Employee Insurance [ ] YES [ ] NO [ ] N/A

Business Status: \_\_\_\_\_  
 Business Licenses # 3107  
 Category # A  
 (official use only)

BUSINESS NAME: Hammack Bros Construction

FEE CALCULATION INFORMATION: (No fees are refundable)

Application Fee: \$ 20.00  
 Choose One:  
 Permanent Business -- Billed Quarterly from Matrix. (refer to Instruction Page)  
 Short Term Project -- To be completed within 30 days. (\$50.00 Fee)  
 Single Project -- Single job to be completed within one year. (\$50.00 Fee)  
 TOTAL FEES PAID: \$ \_\_\_\_\_

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1. Public Works Phone: 775-463-2729 Approved  Denied [ ]  
 ZONING: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]  
 R-1 R-2 R-3 R-C C-1 C-2 M-1 N/A  
 Does business comply with existing zoning and current codes? Compliance  (yes) (no)  
 Building Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Public Works Director [Signature] \_\_\_\_\_ Date: 10/28/2019

2. Fire Department Phone: 775-463-2261 Approved  Denied [ ]  
 Fire Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Fire Chief [Signature] \_\_\_\_\_ Date: 10-28-19

3. Nevada Health Dept. Phone: 775-687-7550 Approved [ ] Denied [ ]  
 Inspector \_\_\_\_\_ Date: \_\_\_\_\_

4. Police Department Phone: 775-463-2333 Approved  Denied [ ]  
 Police Chief [Signature] \_\_\_\_\_ Date: 10-28-2019

5. City Clerk Approved  Denied [ ]  
 City Clerk: [Signature] \_\_\_\_\_ Date: 10-30-2019

6. City Council Approval Approved [ ] Denied [ ]  
 Mayor: \_\_\_\_\_ Date: \_\_\_\_\_

Check List: (official use)  
 State Business License [ ] YES [ ] NO [ ] N/A  
 Employee Insurance [ ] YES [ ] NO [ ] N/A



Business Status: \_\_\_\_\_  
 Business Licenses # 3109  
 Category # A  
 (official use only)

BUSINESS NAME: Cosco Fire Protection, Inc

FEE CALCULATION INFORMATION: (No fees are refundable)

Application Fee: \$ 20.00  
 Choose One:  
 Permanent Business -- Billed Quarterly from Matrix. (refer to Instruction Page)  
 Short Term Project -- To be completed within 30 days. (\$50.00 Fee)  
 Single Project -- Single job to be completed within one year. (\$50.00 Fee)

TOTAL FEES PAID: \$ \_\_\_\_\_

REQUIRED INSPECTIONS:

Signatures must be obtained before your application can be placed on the City Council agenda. If your business will occupy a building then you will be responsible to call for these inspections and signatures #1 thru #3, signatures #4 and #5 are the responsibility of City Staff. \*Department Official – Attach comment page if necessary.

1. Public Works Approved  Denied [ ]  
 Phone: 775-463-2729  
 ZONING: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]  
 R-1 R-2 R-3 R-C C-1 C-2 M-1 N/A  
 Does business comply with existing zoning and current codes? Compliance (yes) (no)  
 Building Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Public Works Director [Signature] Date: 10/28/2019

2. Fire Department Approved  Denied [ ]  
 Phone: 775-463-2261  
 Fire Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Fire Chief [Signature] Date: 10-28-19

3. Nevada Health Dept. Approved [ ] Denied [ ]  
 Phone: 775-687-7550  
 Inspector \_\_\_\_\_ Date: \_\_\_\_\_

4. Police Department Approved  Denied [ ]  
 Phone: 775-463-2333  
 Police Chief [Signature] Date: 10-28-2019

5. City Clerk Approved  Denied [ ]  
 City Clerk: [Signature] Date: 10-30-2019

6. City Council Approval Approved [ ] Denied [ ]  
 Mayor: \_\_\_\_\_ Date: \_\_\_\_\_

*NV Copper  
at mine*

Check List: (official use)

State Business License [ ] YES [ ] NO [ ] N/A  
 Employee Insurance [ ] YES [ ] NO [ ] N/A

Business Status: \_\_\_\_\_  
 Business Licenses # 3110  
 Category # A  
 (official use only)

BUSINESS NAME: Master Service Plumbers

**FEE CALCULATION INFORMATION:** (No fees are refundable)

Application Fee:  
 Choose One: \$ 20.00  
 Permanent Business -- Billed Quarterly from Matrix. (refer to Instruction Page)  
 Short Term Project -- To be completed within 30 days. (\$50.00 Fee) \$ 50  
 Single Project -- Single job to be completed within one year. (\$50.00 Fee) \$ \_\_\_\_\_

**TOTAL FEES PAID:** \$ 70

**REQUIRED INSPECTIONS:**

Signatures must be obtained before your application can be placed on the City Council agenda. If your business will occupy a building then you will be responsible to call for these inspections and signatures #1 thru #3, signatures #4 and #5 are the responsibility of City Staff. \*Department Official -- Attach comment page if necessary.

1. **Public Works** Approved  Denied [ ]  
 Phone: 775-463-2729  
 ZONING: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]  
           R-1 R-2 R-3 R-C C-1 C-2 M-1 N/A  
 Does business comply with existing zoning and current codes? Compliance (yes) (no)  
 Building Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Public Works Director [Signature] \_\_\_\_\_ Date: 10/28/2019
  
2. **Fire Department** Approved  Denied [ ]  
 Phone: 775-463-2261  
 Fire Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Fire Chief [Signature] \_\_\_\_\_ Date: 10-28-19
  
3. **Nevada Health Dept.** Approved [ ] Denied [ ]  
 Phone: 775-687-7550  
 Inspector \_\_\_\_\_ Date: \_\_\_\_\_
  
4. **Police Department** Approved  Denied [ ]  
 Phone: 775-463-2333  
 Police Chief [Signature] \_\_\_\_\_ Date: 10-28-2019
  
5. **City Clerk** Approved  Denied [ ]  
 City Clerk: [Signature] \_\_\_\_\_ Date: 10-30-2019
  
6. **City Council Approval** Approved [ ] Denied [ ]  
 Mayor: \_\_\_\_\_ Date: \_\_\_\_\_

*Check List: (official use)*

State Business License [ ] YES [ ] NO [ ] N/A  
 Employee Insurance [ ] YES [ ] NO [ ] N/A

Business Status: \_\_\_\_\_  
 Business Licenses # 3106  
 Category # B  
 (official use only)

BUSINESS NAME: Extractech LLC.

**FEE CALCULATION INFORMATION:** (No fees are refundable)

**Application Fee:**

Choose One: \$ 20.00.

**Permanent Business** -- Billed Quarterly from Matrix. (refer to Instruction Page)

**Short Term Project** -- To be completed within 30 days. (\$50.00 Fee)

**Single Project** -- Single job to be completed within one year. (\$50.00 Fee)

**TOTAL FEES PAID:** \$ \_\_\_\_\_

**REQUIRED INSPECTIONS:**

Signatures must be obtained before your application can be placed on the City Council agenda. If your business will occupy a building then you will be responsible to call for these inspections and signatures #1 thru #3, signatures #4 and #5 are the responsibility of City Staff. \*Department Official - Attach comment page if necessary.

1. **Public Works** Approved  Denied [ ]  
 Phone: 775-463-2729

ZONING: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]  
 R-1 R-2 R-3 R-C C-1 C-2 M-1 N/A  
 Does business comply with existing zoning and current codes? Compliance (yes) (no)

Building Inspector [Signature] Date: 9-26-19  
 Public Works Director [Signature] Date: 10/28/2019

2. **Fire Department** Approved  Denied [ ]  
 Phone: 775-463-2261

Fire Inspector \_\_\_\_\_ Date: \_\_\_\_\_  
 Fire Chief [Signature] Date: 10-28-19

3. **Nevada Health Dept.** Approved [ ] Denied [ ]  
 Phone: 775-687-7550

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

4. **Police Department** Approved  Denied [ ]  
 Phone: 775-463-2333

Police Chief [Signature] Date: 10-28-2019

5. **City Clerk** Approved [ ] Denied [ ]  
 City Clerk: \_\_\_\_\_ Date: \_\_\_\_\_

6. **City Council Approval** Approved [ ] Denied [ ]  
 Mayor: \_\_\_\_\_ Date: \_\_\_\_\_

**Check List: (official use)**

State Business License [ ] YES [ ] NO [ ] N/A  
 Employee Insurance [ ] YES [ ] NO [ ] N/A

**ITEM**

**#6**



**ITEM**

**#8**



REPORT TO:	Mayor and City Council	Agenda Item #	9
REPORT FROM:	Robert Switzer, City Manager		

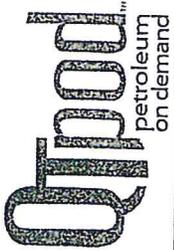
<b>FINANCIAL IMPACT:</b> \$11,795.00	<b>CURRENTLY BUDGETED</b> YES: <input type="checkbox"/> NO: <input checked="" type="checkbox"/>	<b>FUND/ACCOUNT</b> Fixed Asset Acquisition Fund
---	--	---

<b>ACTION REQUESTED:</b>	<input type="checkbox"/> Consent	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input checked="" type="checkbox"/> Motion	<input type="checkbox"/> Receive/File
--------------------------	----------------------------------	------------------------------------	-------------------------------------	--	---------------------------------------

<b>AGENDA ITEM:</b>	<input checked="" type="checkbox"/> For Possible Action	<input type="checkbox"/> For Discussion Only
Discussion/Approval of a Quote from QTPod for a Self-Serve Fueling Terminal, Model M-4000, at the Yerington Municipal Airport to be expensed from The Fixed Asset Acquisition Fund		

**Brief:**

This issue was brought up in a prior report which mentioned that the current fuel terminal at our airport is no longer supported as of July 1, 2019, and would need to be addressed in next year's budget. The reason this is before you now is the favorable discount of \$3495.00 versus a previous discount of \$1995.00.



4909 Nautilus Court North, Suite 109  
 Boulder, CO 80301  
 ph: 303-444-3590 Fax: 303-444-8736

Quote No.

QT Pod Fueling Terminals

**Representative**

Name Matt Duncan Phone: 303-962-3413  
 Position Sales Fax: 303-444-8736  
 Department Sales Division E-mail: mduncan@qtpod.com

**Dates**

First Contact \_\_\_\_\_  
 Quote Issued 11/14/2019  
 Accept/Reject \_\_\_\_\_

**Product/Service Name**

**QT Pod Model M4000 Self-Serve Fueling Terminal**  
 1 hose control, wired ethernet capability  
 Trade-in credit for M3000 return (offer valid if purchased in 2019)  
 Options

**Quantity**

1

**Price**

\$14,995.00  
 (\$3,495.00)

**TOTAL**

\$14,995.00  
 (\$3,495.00)

**Financing Available**

**SHIPPING**

1

\$295.00

\$295.00

Sub Total

\$11,795.00

Discount

Taxes

**Notes**

TOTAL

\$11,795.00

\*Quote valid for 60 days from issuance.  
 Price does not include installation  
 Cell kit requires data plan through QT \$480/ year  
 Web-Based Siteminder Subscription- \$945/ year

**Client**

Customer Jay Flakus Company Yerington Airport  
 Address \_\_\_\_\_ State \_\_\_\_\_  
 City \_\_\_\_\_ Email jayf@yerington.net  
 ZIP \_\_\_\_\_ Fax \_\_\_\_\_  
 Phone \_\_\_\_\_

**Status**

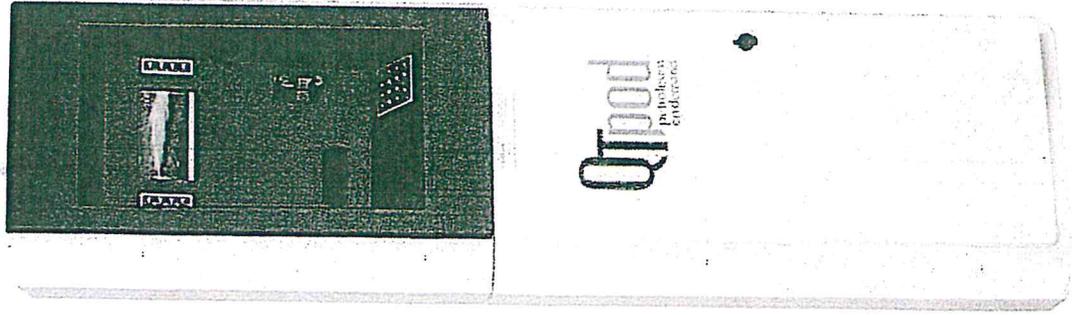
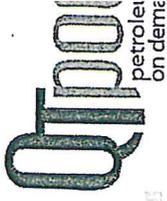
Established Client  New Client  Prospective Client

Office Use Only

Prices are subject to change without notice.

**QT POD M4000 Point of Sale**

## QT POD M4000 - The Next Generation in Fuel Management



- Improved communications- Ethernet, Wi-Fi & Cellular
- 8 pump control capability
- Reduced Card Fees with Qualified Processing on some networks
- Stainless steel construction provides longevity & a more attractive unit in the field
- Bright display visible in direct sunlight and eliminates sun damage
- Auto-dimming display and back-lit keypads for ease of use in low light conditions
- Encrypting card reader for better security – EMV to come
- Web-based fuel management allows access from anywhere
- Automatic software updates and cloud backup included
- Windows 10 based OS.

# QT POD M4000 - Information Process Flow



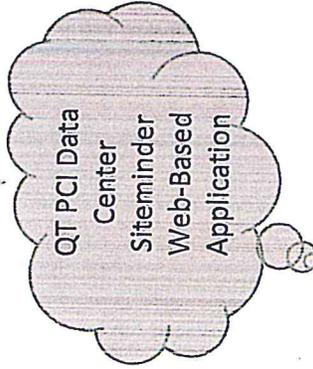
Customer swipes payment card.



Magtek reader on M4000 fully encrypts card data with an encryption key specific to that card reader. Transaction data is never stored on kiosk. Pre-approval is immediately recaptured at end of sale with actual amount and sent upstream.

Cell, Wi-Fi, Ethernet

Web Service Call



Transaction flows to QT POD's PCI Compliant Data center where non-critical data is extracted for customer reporting in web-based Siteminder.



Magensa applies a decryption key specific to that card reader and forwards transaction packet in format designated by QT per endpoint processor specifications. Magensa is a PCI Level 1 Service Provider.

Web Service Call



End Point Processor approves or declines approval and sends response back along same path.

## Qtpod M4000 – Key Advantages

## QTpod M4000 – Key Advantages



### Communications

The new M4000 utilizes either wired Ethernet, Wi-Fi or cellular communications for card processing and communication with Siteminder, our fuel management software. Why is this better?

- The old analog phone network is deteriorating and the telecom companies have shown they have little interest in maintaining these lines in favor of their digital and fiber networks.
- This results in inconsistent quality of the old phone lines which can cause customers to have to swipe their card multiple times to get approvals as well as card settlement failures. This can delay payment for the merchant.
- Dial up authorizations can take up to 60 seconds. Authorizations on the M4000 are virtually instant.
- The Wi-fi and cellular options help reduce costs for installation as there is no need to trench and run communications wire.
- Ethernet and Wi-Fi, eliminate a monthly phone bill; the cellular option monthly plans are typically much less expensive than analog phone lines.
- When there are problems with analog phone lines, it can take weeks or months for them to locate the issue. This costs merchants time and money during that downtime. Providers typically repair cell towers and internet issues within hours.
- The M4000 can be equipped with multiple communications methods and will automatically fail over to the back up if one communication method goes down. For instance, if your internet service goes down, the system can automatically fail over to cell for uninterrupted service.

## QTpod M4000 – Key Advantages



### Hardware

- Stainless steel construction is weather durable and will not rust.
- 7" color display is 1000 nit brightness and has an anti-glare/anti-reflective coating that allows for perfect visibility in direct sunlight. The light sensor will dim this at night for easy viewing in low light conditions.
- All keypads are backlit ease of use at night.
- The new pump interface board allows for up to 8 hose positions, so you can control more fueling points without additional terminals.
- Fully encrypting card reader protects customers' card data and minimizes your PCI footprint as no unencrypted data is ever stored on the M4000 or in customers' facility.
- The German made thermal printer is exceptionally reliable and is designed to work in the harshest conditions. Fewer moving parts results in fewer failures.
- Most components utilize standard USB connections, so maintenance is simple. No special tools required.
- Most hardware components are at or near mil-spec temperature ranges.

## QTpod M4000 – Key Advantages



### Software

- The new Siteminder program is entirely web based.
- Access fuel management from any computer or device, including Windows, Mac and tablets.
- No need to retrieve transactions from the terminal; when a transaction occurs at the M4000 it automatically pushes the data up to Siteminder in the cloud.
- The card processing logic is no longer in the M4000, it is in the web based Siteminder program. This means when new cards are added or there are processing changes, the customer no longer has to perform updates at the terminal. QT Simply makes those changes at the data center level and everyone is automatically updated.
- The customer no longer has to perform firmware updates at the terminal as well. When updates are available, QT simply pushes these updates to the terminal over the internet.
- All of our subscription packages now cover software updates, so customers no longer have to worry about paying additional fees for upgraded software.
- Siteminder being web based now makes for easier, seamless integration with 3<sup>rd</sup> party software platforms. We currently have exports for TAS, Total FBO, FBO Manager and MyFBO.
- The M4000 can allow customers to obtain better processing rates on some networks which increases their profitability.

## QTpod M4000 – Key Advantages



### Support

- As the M4000 and Siteminder are now web based, QT now has greater flexibility when it comes to supporting the terminals.
- QT Support staff can remote into any terminal and see exactly what the customer is seeing on the screen. This reduces miscommunication between the customer and QT support staff, resulting in more timely resolution of issues.
- QT can reboot the system, check diagnostics and receive errors without the customer having to be at the terminal. No more standing in the rain to troubleshoot.
- QT can remote in and see the inputs and outputs of the pump interface board functioning through a diagnostics utility rather than relying on the customer to tell us which lights are coming on.
- Multiple alerts are being built into the system so that QT will receive alerts if certain issues crop up. In many cases we should be able to resolve them before the customer even knows there is an issue.

**QTPod M4000 – Communications**

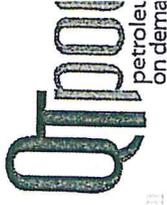
## QT POD M4000 - Wired Ethernet Communications



The M4000 comes standard to accommodate a wired ethernet connection. A wired ethernet connection is a very good option if certain conditions can be met as this provides a stable and consistent connection to the customers' network. This also avoids the increased cost of optional communication kits. However, there are several factors that may determine whether or not this is the best option.

1. A wired Cat 5 or Cat 6 cable has distance limitations of around 300 feet. Beyond that range, the signal begins to degrade and become less reliable. Some IT staff may be able to install boosters to push the signal further, but QT can not guarantee the reliability of this.
2. There may be financial or logistical restraints to pulling an ethernet line to the fuel island. In some instances, it may be the case that an existing phone line for an M3000 or competitor unit already in place terminates in the same location as the network panel. In such instances, the customer may be able to attach Cat 5 to the phone line and as they pull the phone line out, they pull the Cat 5 into its place. However, if the Cat 5 needs to terminate elsewhere it may be cost prohibitive or technically difficult to get the ethernet cable to the M4000.

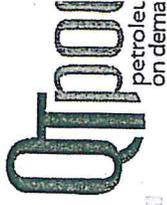
## QT POD M4000 - Wi-Fi Communications



QT POD offers an optional Wi-Fi kit for \$500 MSRP that will allow the M4000 to access the web via the customer wireless network. This may be a good option for those customers who can't get an ethernet cable out to the system and do not want the additional cost of a cell plan. This is not recommended for distances over 50 feet. There are some factors to take into consideration if this route is chosen.

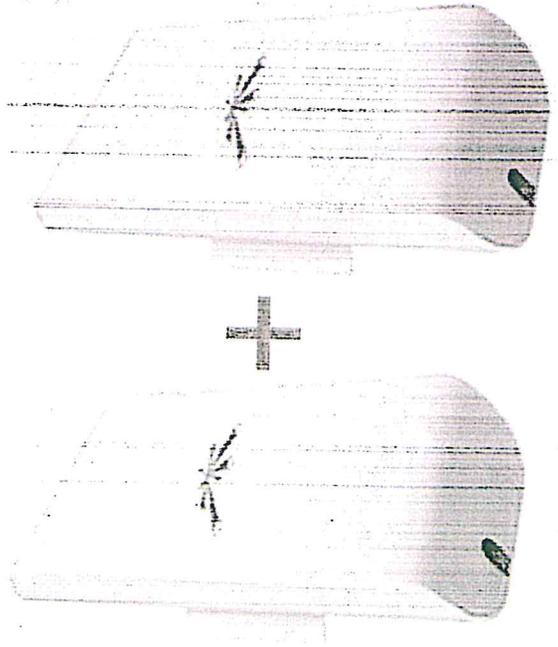
1. You will want to confirm that the customer can get a strong, consistent Wi-Fi signal at the fuel island. This can be affected by several factors such as:
  - Distance of the fuel island from the wireless router
  - Any obstacles between the router and the fuel island
  - Quality and reliability of the customer's wireless router
  - Quality and reliability of their internet service provider (ISP)
2. The customer's IT personnel may be able to utilize a commercially available outdoor wireless range extended to boost the Wi-Fi signal to the fuel farm area.

## QT POD M4000 - Ubiquiti Nanostation



Another option for installations which exceed the distance limitations of Cat 5 or Wi-Fi- communications is a Ubiquiti Nanostation. This is a point to point wireless antenna system that can transmit an ethernet signal up to 9 miles.

QTpod does not sell this system, but many customers have used this with good results. The model most customers are using is the Ubiquiti Nanostation LocoM2-US Pre-Configured Indoor/Outdoor airMax CPE 2.4 GHz 2 pack. This can be purchased on Amazon for around \$130.

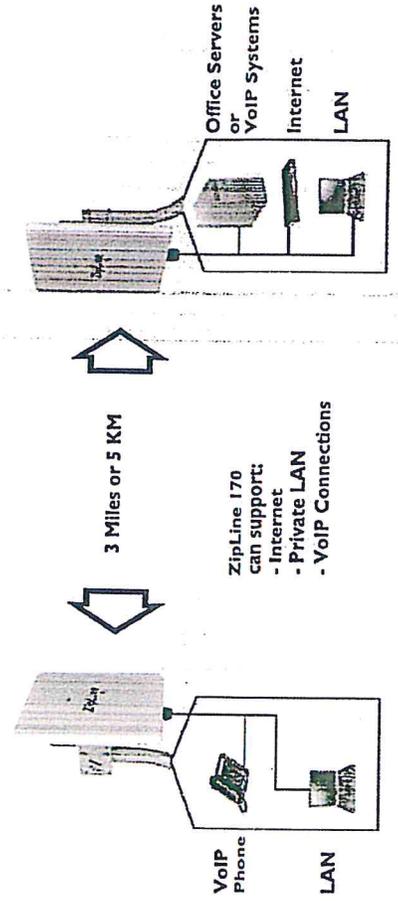


## QT POD M4000 - Zipline Communications



For installations in which distance limitations prohibit the use of Cat 5 or Wi-Fi-communications, and the customer does not wish to incur the cost of a cellular plan, QT.POD offers the Teletics Zipline. The Zipline system comprises of two, outdoor rated radio antennae that can wirelessly transmit an ethernet signal over 1-3 miles line of sight and retails for \$1200. The Zipline device essentially acts like a wired ethernet connection, but eliminates the need to physically run wire to the fuel island.

In a typical installation, one antenna is mounted at the M4000 and requires a 110VAC outlet. The other antenna is mounted where it can be wired into the customer's network. For proper operation, the Zipline needs a clear, unobstructed line of sight between the two antennae.



## QT POD M4000 - Cellular Communications



Cellular communications is the preferred method for use on the M4000. This is due to the ease of installation and the speed and high reliability of cellular networks. M4000s shipped with our optional cellular kit will come preconfigured with the wireless account provided by QT POD. The advantage of this is that there is literally no work for the installer to set-up a communications link for the M4000. Once the system is powered up, it automatically communicates with the nearest cell tower. This also provides a high degree of reliability as it does not interface with the customer's network. Therefore, if anyone makes changes to internet service providers or to their firewall, it will have absolutely no effect on the M4000.

QT POD's cellular kit is \$1000 MSRP. This also requires a Verizon or AT&T unlimited data plan provided by QT POD for \$480/yr. This cellular plan is added to the customer's yearly service subscription.

Prior to choosing this option, it is advised that someone with a Verizon or AT&T cellular plan check the signal strength at the fuel farm location.

**ITEM**

**#9**



REPORT TO: Mayor and City Council      Agenda Item #      14  
REPORT FROM: Robert Switzer, City Manager

FINANCIAL IMPACT:  
\$7,300.00

CURRENTLY BUDGETED  
YES:       NO:

FUND/ACCOUNT  
To Be Determined

ACTION REQUESTED:     Consent     Ordinance     Resolution     Motion     Receive/File

AGENDA ITEM:     For Possible Action     For Discussion Only  
Discussion/Approval of an Engagement Letter with MacLeod Watts for FY 2019/20 OPEB Actuarial Valuation Services in the Amount of \$7,300.00.

**Brief:**  
Approval of this item will be beneficial for next year's audit process as the report is an important part of the audit. The amount of the contract will not be expensed in this fiscal year.

# MacLeod Watts

November 10, 2019

Robert Switzer  
City Manager  
City of Yerington  
102 S. Main Street  
Yerington, NV 89447

Re: Engagement Letter for 2020 OPEB Actuarial Valuation Services

Dear Mr. Switzer:

We are sending this letter regarding MacLeod Watts' engagement to complete an updated actuarial valuation of other postemployment benefits (OPEB) liabilities under GASB 75 for the City of Yerington.

We suggest a **valuation date** of June 30, 2020. We anticipate that the results of this valuation will be able to be applied to develop GASB 75 OPEB information for the City's fiscal years ending June 30, 2020 and 2021.

The **data request** will include a file for gathering the employee and retiree data, a questionnaire about benefit eligibility and amounts, recent benefits paid and copies of some documentation.

The **valuation process** will include development and recognition of the City's "explicit subsidy" liability for current PEBP retirees, relating to direct payments of a portion of the retirees' premiums. The valuation must also consider projection of the "implicit subsidy" OPEB liability expected to arise when a retiree continues coverage under a medical plan offered by the City. Even when a retiree pays the full premium cost, medical and prescription claim costs typically exceed the premium rates charged for retiree coverage.

**Report format:** Based on prior actuarial reports provided for the City and information included in the audited financial statements, we propose to prepare one report for each year (FYE 2020 and FYE 2021) covering both PEBP and City plan OPEB liabilities. However, since they are technically separate programs, we will present the results separately and in total in case the City chooses to report the information separately in its financial statements.

We anticipate completing the draft report within 30 days after receipt of all requested data. The following page describes the fees we propose for this project. If you are comfortable with the project as outlined and the fees quoted, please return a signed copy back to us by email.

Cordially,



Catherine L. MacLeod, FSA, FCA, EA, MAAA  
Principal & Consulting Actuary



**Professional Service Fees for This Project**

**June 2020 Actuarial Valuation and combined PEBP/City Plan GASB 75 report for FYE 2020: \$5,000**  
*Measurement Date: 6/30/2020*

This fee includes analysis of the explicit subsidy liability (PEBP only) *plus* the implicit subsidy liability (City plan only). A combined report for both plans will be prepared, though with separate subtotals by plan, reflecting the City's current OPEB funding policy for the fiscal year ending June 30, 2020. Fees above include telephone conferences, as needed, to review valuation and report results with the City.

**Combined GASB 75 Report (roll forward) for FYE June 30, 2021: \$2,300**  
*Measurement Date: 6/30/2021; Valuation Date: June 30, 2020*

Assuming no material changes in plan members, plan benefits or in the OPEB funding policy, we will "roll forward" the results of the June 2020 valuation using an appropriate discount rate to develop the information required for GASB 75 financial reporting at fiscal year end June 30, 2021.

*Out-of-Scope Services:* The following are examples of work beyond the actuarial valuation and GASB 75 reports that we would consider out-of-scope and may result in additional fees:

- 1) Breakout of results by subgroups (other than between PEBP and the City plan); 2) required data analysis in excess of 8 hours per valuation; 3) prefunding illustrations; 4) material changes to benefits or eligible members; 5) in person meetings or presentations; 6) auditor assistance in excess of 1 hour each year; 7) any crossover tests if the City should begin prefunding; 8) consulting or actuarial projections relating to possible plan redesign, experience studies or long-term forecasting.

If needed, our 2019 hourly rates are:

Consultant	2019 Hourly Rates
Senior Actuarial Consultants	\$350
Actuarial Consultants	275 - 325
Actuarial Analysts	150 - 250
Administrative Staff	100 - 125

If the fees and timeline for these projects are acceptable, please sign and date below.

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

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_

# MacLeod Watts

November 7, 2019

Robert Switzer  
City Manager  
City of Yerington  
102 S. Main Street  
Yerington, NV 89447

Re: Other Postemployment Benefits of City of Yerington  
GASB 75 Accounting Exhibits for the Fiscal Year Ending June 30, 2019

Dear Mr. Switzer:

We are pleased to enclose information to support the City of Yerington's accounting for its Other Post-Employment Benefit Programs. The primary purpose of this report is to assist the City in satisfying the of GASB 75 ("Accounting and Financial Reporting for Postemployment Benefits Other Than Pension") to be reported in the City's financial statements for the fiscal year ending June 30, 2019.

The City engaged Menard Consulting, Inc. (MC, Inc.) to prepare an Alternative Measurement Method (AMM) report developing the OPEB liability to be reported under GASB 75. We relied on information from the MC, Inc. report and the City to prepare the enclosed accounting information. We offer no opinion as to the reasonableness of the underlying liabilities presented in the MC, Inc. report. Consistent with how results were provided for fiscal year end 2018, this report includes liabilities relating to both PEBP and the City's Health Care Plan (COYHCP) presented as one combined plan.

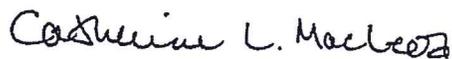
The information included in this report reflects the assumption that the City will continue financing its OPEB liability on a pay-as-you-go basis. Please let us know if we can be of assistance in preparing illustrations of how prefunding impacts the OPEB liability required to be reported under GASB 75.

**Important Dates Used in the Report:** GASB 75 allows reporting liabilities as of any fiscal year end based on: (1) a *valuation date* no more than 30 months plus 1 day prior to the close of the fiscal year end; and (2) a *measurement date* up to one year prior to the close of the fiscal year. The following dates were used for this report:

Fiscal Year End	June 30, 2019
Measurement Date	June 30, 2019
Measurement Period	May 31, 2018 to June 30, 2019
AMM Valuation Date	July 1, 2017 (prepared by MC, Inc.)

We appreciate the opportunity to work on this analysis and acknowledge the efforts of the City employees for the time and information they provided to enable us to prepare this report. Please let us know if we can be of further assistance.

Sincerely,



Catherine L. MacLeod  
Principal & Consulting Actuary

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### A. Accounting Information (GASB 75)

The following exhibits are designed to satisfy the reporting and disclosure requirements of GASB 75 for the fiscal year end June 30, 2019. It is our understanding that the City is classified for GASB 75 purposes as a single employer.

#### Components of Net Position and Expense

The exhibit below shows the development of Net Position and Expense as of the Measurement Date.

<b>Plan Summary Information for FYE June 30, 2019</b> <i>Measurement Date is June 30, 2019</i>	<b>City of Yerington</b>
---	--------------------------

**Items Impacting Net Position:**

Total OPEB Liability	\$	767,235
Fiduciary Net Position		-
Net OPEB Liability (Asset)		767,235

*Deferred (Outflows) Inflows of Resources Due to:*

Assumption Changes		5,095
Plan Experience		85,956
Investment Experience		-
Deferred Contributions		-
Net Deferred (Outflows) Inflows of Resources		91,051

<b>Impact on Statement of Net Position, FYE 6/30/2019</b>	<b>\$</b>	<b>858,286</b>
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**Items Impacting OPEB Expense:**

Service Cost	\$	5,392
Cost of Plan Changes		-
Interest Cost		23,644
Expected Earnings on Assets		-

*Recognized Deferred Resource items:*

Assumption Changes		(2,179)
Plan Experience		(17,021)
Investment Experience		-

<b>OPEB Expense, FYE 6/30/2019</b>	<b>\$</b>	<b>9,836</b>
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**Accounting Information**  
 (Continued)

**Change in Net Position During the Fiscal Year**

The exhibit below shows the year-to-year changes in the components of Net Position.

For Reporting at Fiscal Year End Measurement Date	6/30/2018 6/30/2018	6/30/2019 6/30/2019	Change During Period
Total OPEB Liability	\$ 738,743	\$ 767,235	\$ 28,492
Fiduciary Net Position	-	-	-
Net OPEB Liability (Asset)	738,743	767,235	28,492
<i>Deferred Resource (Outflows) Inflows Due to:</i>			
Assumption Changes	48,906	5,095	(43,811)
Plan Experience	102,977	85,956	(17,021)
Investment Experience	-	-	-
Deferred Contributions	-	-	-
Net Deferred (Outflows) Inflows	151,883	91,051	(60,832)
Impact on Statement of Net Position	\$ 890,626	\$ 858,286	\$ (32,340)

**Change in Net Position During the Fiscal Year**

Impact on Statement of Net Position, FYE 6/30/2018	\$ 890,626
OPEB Expense (Income)	9,836
Employer Contributions During Fiscal Year	(42,176)
Impact on Statement of Net Position, FYE 6/30/2019	<u>\$ 858,286</u>

**OPEB Expense**

Employer Contributions During Fiscal Year	\$ 42,176
Deterioration (Improvement) in Net Position	(32,340)
OPEB Expense (Income), FYE 6/30/2019	<u>\$ 9,836</u>



**Accounting Information**  
 (Continued)

**Deferred Resources as of Fiscal Year End and Expected Future Recognition**

A component of the accounting required when an AMM valuation is prepared is the immediate recognition of any changes to the plan liability. However, the report prepared for fiscal year end 2018 did recognize changes over the "Expected Average Remaining Service Lifetime" (EARSL) of plan members at that time. The EARSL calculated in the 2017 actuarial valuation was 7.05 years. We applied this same approach in determining deferred resources for the current (fiscal year end 2019) report.

There were also several assumption changes reflected in the prior report, each with a separate deferred recognition "base". We combined all the prior assumption changes into a single assumption change base. A new base was added this year, reflecting the change in liability resulting from the update to the discount rate, from 3.27% to 2.79%.

Finally, there was an unidentified "other changes" base presented in the prior report. We combined this amount with the assumption changes described above.

The exhibit below shows deferred resources as of the fiscal year end June 30, 2019.

City of Yerington OPEB Programs	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 35,727	\$ 40,822
Differences Between Expected and Actual Experience	-	85,956
Net Difference Between Projected and Actual Earnings on Investments	-	-
Deferred Contributions	-	-
<b>Total</b>	<b>\$ 35,727</b>	<b>\$ 126,778</b>

**Schedule of Deferred Outflows and Inflows of Resources**

Future recognition of the deferred resources is shown below.

For the Fiscal Year Ending June 30	Recognized Net Deferred Outflows (Inflows) of Resources
2020	\$ (19,200)
2021	(19,200)
2022	(19,200)
2023	(19,200)
2024	(19,200)
Thereafter	4,949



**Accounting Information**  
 (Continued)

**Sensitivity of Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Rate**

The discount rate used in the fiscal year end 2018 GASB 75 report was based on the S&P Municipal Bond 20 Year High Grade Index which resulted in a discount rate of 3.27%. For the fiscal year end 2019, we updated the results to reflect the S&P bond rate of 2.79% as of the current June 30, 2019 measurement date.

The 2017 AMM valuation report indicated a healthcare cost trend rate was assumed to begin at 7.8% for PPO options and 6.9% for HMO options in fiscal year ending 2019 and grade down to 5% for fiscal year ending 2028 and beyond. The impact of a 1% increase or decrease in these assumptions is shown in the chart below.

Sensitivity to:			
Change in Discount Rate	Current - 1% 1.79%	Current 2.79%	Current + 1% 3.79%
<b>Total OPEB Liability</b>	866,833	767,235	684,433
Increase (Decrease)	99,598		(82,802)
% Increase (Decrease)	13.0%		-10.8%
Change in Heathcare Cost Trend Rate	Current Trend - 1%	Current Trend	Current Trend + 1%
<b>Total OPEB Liability</b>	685,093	767,235	864,494
Increase (Decrease)	(82,142)		97,259
% Increase (Decrease)	-10.7%		12.7%



**Accounting Information**  
 (Continued)

**Schedule of Changes in the District's Net OPEB Liability and Related Ratios**

GASB 75 requires presentation of the 10-year history of changes in the Net OPEB Liability. Since this is the second year of implementation, only results for fiscal years 2018 and 2019 are shown in the table.

<b>Fiscal Year Ending</b>	<b>6/30/2019</b>	<b>6/30/2018</b>
<i>Measurement Date</i>	<i>6/30/2019</i>	<i>5/31/2018</i>
<i>Discount Rate on Measurement Date</i>	<i>2.79%</i>	<i>3.27%</i>
<b>Total OPEB liability</b>		
Service Cost	\$ 5,392	\$ 5,380
Interest	23,644	29,432
Changes of benefit terms	-	-
Differences between expected and actual experience	-	(119,998)
Changes of assumptions	41,632	(56,988)
Benefit payments	(42,176)	(38,266)
<b>Net change in total OPEB liability</b>	<b>28,492</b>	<b>(180,440)</b>
<b>Total OPEB liability - beginning</b>	<b>738,743</b>	<b>919,183</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 767,235</b>	<b>\$ 738,743</b>
 <b>Plan fiduciary net position - beginning</b>	 -	 -
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ -</b>	<b>\$ -</b>
 <b>Net OPEB liability - ending (a) - (b)</b>	 <b>\$ 767,235</b>	 <b>\$ 738,742</b>
 Covered-employee payroll	 \$ 1,067,723	 N/A
Net OPEB liability as a % of covered-employee payroll	71.86%	N/A

\*Change in assumption value for FYE 6/30/2018 now includes (\$76,531) of other (unidentified) changes.



**Accounting Information**  
 (Continued)

**Detail of Changes to Net Position**

The chart below details changes to all components of Net Position.

City of Yerington OPEB Programs	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)	(d) Deferred Outflows (Inflows) Due to:				Impact on Statement of Net Position (e) = (c) - (d)
				Assumption Changes	Plan Experience	Investment Experience	Deferred Contributions	
<b>Balance at Fiscal Year Ending 6/30/2018</b> <i>Measurement Date 6/30/2018</i>	\$ 738,743	\$ -	\$ 738,743	\$ (48,906)	\$ (102,977)	\$ -	\$ -	\$ 890,626
<b>Changes During the Period:</b>								
Service Cost	5,392		5,392					5,392
Interest Cost	23,644		23,644					23,644
Expected Investment Income								
Employer Contributions		42,176	(42,176)					(42,176)
Changes of Benefit Terms								
Benefit Payments	(42,176)	(42,176)						
Assumption Changes	41,632		41,632	41,632				
Plan Experience								
Investment Experience								
Recognized Deferred Resources				2,179	17,021			
Employer Contributions in Fiscal Year								
<b>Net Changes in Fiscal Year 2018-2019</b>	28,492	-	28,492	43,811	17,021	-	-	(32,340)
<b>Balance at Fiscal Year Ending 6/30/2019</b> <i>Measurement Date 6/30/2019</i>	\$ 767,235	\$ -	\$ 767,235	\$ (5,095)	\$ (85,956)	\$ -	\$ -	\$ 858,286



**Accounting Information**  
 (Continued)

**Schedule of Deferred Outflows and Inflows of Resources**

A listing of all deferred resource bases used to develop the Net Position and Pension Expense is shown below. Contributions subsequent to the measurement date are not shown.

Measurement Date: June 30, 2019

Date Created	Deferred Resource			Balance as of Jun 30, 2019	Recognition of Deferred Outflow or Deferred (Inflow) in Measurement Period:							
	Cause	Initial Amount	Period (Yrs)		Annual Recognition	2018-19 (FYE 2019)	2019-20 (FYE 2020)	2020-21 (FYE 2021)	2021-22 (FYE 2022)	2022-23 (FYE 2023)	2023-24 (FYE 2024)	Thereafter
6/30/2018	Gain Due To Plan Experience	\$ (119,998)	7.05	\$ (17,021)	\$ (85,956)	\$ (17,021)	\$ (17,021)	\$ (17,021)	\$ (17,021)	\$ (17,021)	\$ (17,021)	\$ (851)
6/30/2018	Gain Due To Assumption Changes	(56,990)	7.05	(8,084)	(40,822)	(8,084)	(8,084)	(8,084)	(8,084)	(8,084)	(8,084)	(402)
6/30/2019	Loss Due To Assumption Changes	41,632	7.05	5,905	35,727	5,905	5,905	5,905	5,905	5,905	5,905	6,202



**Accounting Information**

(Continued)

**District Contributions to the Plan**

City contributions to the Plan occur as benefits are paid to or on behalf of retirees. Benefit payments may occur in the form of direct payments for premiums and taxes ("explicit subsidies"), such as those paid for PEBP retirees. Contributions also include indirect payments to retirees in the form of higher premiums for active employees ("implicit subsidies"), such as applies for medical coverage provided for retirees under the City's healthcare plan(s). For details, see Section C – Important Background Information.

Benefits reported to us as paid by the City during the measurement period are shown below.

<b>Employer Contributions During the Measurement Period, Jul 1, 2018 thru Jun 30, 2019</b>	<b>City of Yerington</b>
Employer Contributions to the Trust	\$ -
Employer Contributions in the Form of Direct Benefit Payments (not reimbursed by trust)	16,281
Implicit contributions	25,895
<b><i>Total Employer Contributions During the Measurement Period</i></b>	<b>\$ 42,176</b>

Note that the implicit subsidy contribution does not represent cash payments to retirees, but rather the reclassification of a portion of the active healthcare expense to be recognized instead as a retiree healthcare cost.



**Accounting Information**  
 (Concluded)

**Sample Journal Entries**

**Beginning Account Balances**

As of the fiscal year beginning 7/1/2018

	Debit	Credit
Net OPEB Liability		738,743
Deferred Resource -- Assumption Changes		48,906
Deferred Resource -- Plan experience		102,977
Deferred Resource -- Investment Experience	-	
Deferred Resource -- Contributions	-	
Net Position	890,626	

*\* The entries above assume nothing is on the books at the beginning of the year. So to the extent that values already exist in, for example, the Net OPEB Liability account, then only the difference should be adjusted. The entries above represent the values assumed to exist at the start of the fiscal year.*

**Journal entry to recharacterize retiree benefit payments not reimbursed by a trust, and record cash contributions to the trust during the fiscal year**

	Debit	Credit
OPEB Expense	16,281	
Premium Expense		16,281
OPEB Expense	-	
Cash		-

*\* This entry assumes a prior journal entry was made to record the payment for retiree premiums. This entry assumes the prior entry debited an account called "Premium Expense" and credited Cash. This entry reverses the prior debit to "Premium Expense" and recharacterizes that entry as an "OPEB Expense". Also, the entry for cash contributions to the trust is shown.*

**Journal entries to record implicit subsidies during the fiscal year**

	Debit	Credit
OPEB Expense	25,895	
Premium Expense		25,895

*\* This entry assumes that premiums for active employees were recorded to an account called "Premium Expense". This entry reverses the portion of premium payments that represent implicit subsidies and assigns that value to OPEB Expense.*

**Journal entries to record other account activity during the fiscal year**

	Debit	Credit
Net OPEB Liability		28,492
Deferred Resource -- Assumption Changes	43,811	
Deferred Resource -- Plan experience	17,021	
Deferred Resource -- Investment Experience	-	
Deferred Resource -- Contributions	-	
OPEB Expense		32,340



## **B. Funding Information**

Our understanding is that the City is currently financing its OPEB liability on a pay-as-you-go basis. Prefunding (setting aside funds to accumulate in an irrevocable OPEB trust) has certain advantages, one of which is the ability to (potentially) use a higher discount rate in the determination of liabilities for GASB 75 reporting purposes.

Actuarially Determined Contributions (ADC) are not required to be provided in a GASB 75 report. We did not see this information developed in the June 2017 valuation report prepared by MC, Inc. and accordingly, we have not included any ADC information in this report.

Should the City wish to explore potential future prefunding for this plan we can prepare illustrations of various funding levels and, if appropriate, perform a formal funding valuation at that time. Results under a funding scenario may be materially different from the results presented in this report.



**C. Important Background Information**

**General Types of Other Post-Employment Benefits (OPEB)**

Post-employment benefits other than pensions (OPEB) comprise a part of compensation that employers offer for services received. The most common OPEB are medical, prescription drug, dental, vision, and/or life insurance coverage. Other OPEB may include outside group legal, long-term care, or disability benefits outside of a pension plan. OPEB does not generally include COBRA, vacation, sick leave<sup>1</sup> or other direct retiree payments which fall under other GASB accounting statements.

A direct employer payment toward the cost of OPEB benefits, such as the City's required payments to PEBP retirees, is referred to as an "explicit subsidy".

In addition, if claims experience of employees and retirees are pooled when determining premiums, retiree premiums are based on a pool of members which, on average, are younger and healthier. For certain types of coverage such as medical insurance, this results in an "implicit subsidy" of retiree premiums by active employee premiums since the retiree premiums are lower than they would have been if retirees were insured separately. GASB 75 and Actuarial Standards of Practice generally require that an implicit subsidy of retiree premium rates be valued as an OPEB liability.

Expected retiree claims		
Premium charged for retiree coverage		Covered by higher active premiums
Retiree portion of premium	Agency portion of premium Explicit subsidy	Implicit subsidy

*This chart shows the sources of funds needed to cover expected medical claims for pre-Medicare retirees. The portion of the premium paid by the City does not impact the amount of the implicit subsidy.*

**Valuation Process**

The July 1, 2017 valuation of the City's OPEB Liability was prepared by Menard Consulting, Inc. MacLeod Watts was not engaged to review the results of that analysis, only to apply the results of the report to prepare the relevant accounting exhibits needed for GASB 75 reporting.

**Requirements of GASB 75**

The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and disclosure of OPEB expense and related liabilities (assets), note disclosures, and, required supplementary information (RSI) in the financial reports of state and local governmental employers.

<sup>1</sup> Unless unused sick leave credits are converted to provide or enhance a defined benefit OPEB.



## Important Background Information

(Continued)

### Important Dates

GASB 75 requires that the information used for financial reporting falls within prescribed timeframes. Actuarial valuations of the total OPEB liability are generally required at least every two years. If a valuation is not performed as of the Measurement Date, then liabilities are required to be based on roll forward procedures from a prior valuation performed no more than 30 months and 1 day prior to the most recent year-end. In addition, the net OPEB liability is required to be measured as of a date no earlier than the end of the prior fiscal year (the "Measurement Date").

### Recognition of Plan Changes and Gains and Losses

Under GASB 75, gains and losses related to changes in Total OPEB Liability and Fiduciary Net Position are recognized in OPEB expense systematically over time.

- *Timing of recognition:* Changes in the Total OPEB Liability relating to changes in plan benefits are recognized immediately (fully expensed) in the year in which the change occurs. Gains and Losses are amortized, with the applicable period based on the type of gain or loss. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.
- *Deferred recognition periods:* These periods differ depending on the source of the gain or loss.
  - Difference between projected and actual trust earnings: 5 year straight-line recognition
  - All other amounts: Straight-line recognition over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits, determined as of the beginning of the Measurement Period.

### Discount Rate

When the financing of OPEB liabilities is on a pay-as-you-go basis, GASB 75 requires that the discount rate used for valuing liabilities be based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). When a plan sponsor makes regular, sufficient contributions to a trust in order to prefund the OPEB liabilities, GASB 75 allows use of a rate up to the expected rate of return of the trust. Therefore, prefunding has an advantage of potentially being able to report overall lower liabilities due to future expected benefits being discounted at a higher rate.

### Actuarial Funding Method and Assumptions

The "ultimate real cost" of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These expenditures are dependent only on the terms of the plan and the administrative arrangements adopted, and as such are not affected by the actuarial funding method. The actuarial funding method attempts to spread recognition of these expected costs on a level basis over the life of the plan, and as such sets the "incidence of cost". GASB 75 specifically requires that



**Important Background Information**

(Concluded)

the actuarial present value of projected benefit payments be attributed to periods of employee service using the Entry Age Actuarial Cost Method, with each period's service cost determined as a level percent of pay.

**The actuarial assumptions used in this report were developed by MC, Inc. for the July 1, 2017 valuation and are not restated again in this report. MacLeod Watts offers no opinion regarding the methodology used by Menard Consulting, Inc. in preparing its valuation report for the City.**

