

Yerington City Council Meeting
August 24, 2020 at 10:00am – City Hall

The regular meeting of the Yerington City Council was held in the Council Chambers and via Zoom.com due to COVID-19 and social distancing guidelines enacted by Governor Sisolak at 10:00 a.m. with the following present:

Mayor John J. Garry (Council Chambers)
Council Members Jerry Bryant (Council Chambers), Selena Catalano, Shane Martin and Terceira Schunke (Via Zoom)
City Manager Robert Switzer (Via Zoom)
City Attorney Chuck Zumpft (Via Zoom)
Chief of Police Darren Wagner (Council Chambers)
Public Works Director Jay Flakus (Council Chambers)
Administrative Director/Interim City Clerk Sheema D. Shaw (Council Chambers)
Deputy Clerk/Grants Administrator Angela Moore (Via Zoom)

Guests: Dwayne Halgrimson, guests also present via Zoom and Facebook Live.

The meeting was called to order and roll call was reported. The Pledge of Allegiance was led by Public Works Director Flakus.

Mayor Garry opened the meeting stating that the Council Chambers are now open for public gatherings and meetings. We are also livestreaming on Facebook.

Mayor Garry stated that City Manager Switzer will be acting as the host and will accept the public into the meeting. If the public has any questions or comments, please call the front desk at 775-463-3511 or email the Administrative Director/Interim City Clerk Shaw at sheema@yerington.net.

Mayor Garry stated that he will call each member of the Council, in order for him or her to vote on each agenda item. Public comments will be taken after each agenda item.

Public Participation

Mr. Dwayne Halgrimson stated he would like to request more information on the Water and Sewer Project and also on the rate study, which will increase water and sewer rates. Mr. Halgrimson asked what the rates will be increased to and why a rate study is needed.

City Manager Switzer stated these items are not agenized and City Council needs to approve the agenda before moving forward. Mr. Halgrimson was suggested to provide his information to the City of Yerington. Mr. Halgrimson will be notified of the date when these topics will be addressed.

Mayor Garry asked for public comments, waited two minutes and no comments were made at this time.

Agenda Approval

Mayor Garry stated that the agenda would be approved as presented unless there are any objections, there were no objections and the agenda was approved as presented.

Minutes

Mayor Garry stated that the minutes of August 10, 2020 regular meeting would be approved as presented unless there are any objections, there were no objections and the minutes of August 10, 2020 regular meeting were approved as presented.

New, Renewal and Name Change Business Licenses Applications.

- A. Jose A. Garcia dba Elite Roof Systems & Solutions, LLC, Roofing Contractor, 507 Summer St. Fernley, NV 89408 - New Single Project
- B. Melissa & Michael Giorgi dba Early Bird Farmer's Market, Farmer's Market, 308 E. Bridge St. Yerington, NV 89447, Mobile - New
- C. James H. Collins dba Collins Construction, Inc., General Contractor, 198 North C. St. Virginia City, NV 89440 - New
- D. Leanna Moore dba Appily Ever After, Candy Apple & Candy Sales, 5 Rhoda Lane Yerington, NV 89447, Mobile - New Single Project

Mayor Garry stated that the business licenses would be approved as presented unless there are any objections, there were no objections and the business licenses were approved as presented.

Revoke Business Licenses Due to Non-Payment for 1st QTR January-March 2020.

- A. Round Table Development Company dba Round Table Pizza, Pizza Restaurant, 174 W. Goldfield Ave. Yerington, NV 89447
- ~~B. Lino Ortega Solis dba El Mundo Latino, II LLC, General Merchandise Store, 20 S. Main St. Yerington, NV 89447~~
- ~~C. Hugo Andraus dba Switch, LTD, Construction of Communications Network, 7135 S. Decatur Blvd. Las Vegas, NV 89118~~

City Manager Switzer stated this agenda item needs to be updated and is currently only considering item A to be revoked for non-payment.

Councilman Bryant asked if a business license is revoked for non-payment, does the City of Yerington give one last notice or request an attempt for payment?

City Manager Switzer stated the company could contact the City directly to arrange a payment. Round Table Pizza is in arrears from the first quarter for payment, January

through March of 2020. The City of Yerington is willing to work with any business for past due balances. If City Council approves of the revocation, the order will go into effect immediately. Councilman Bryant stated the business will need to cease operations immediately. City Manager Switzer stated that is correct.

Mayor Garry stated the business license for Round Table Pizza will be revoked for non-payment of first quarter, January through March of 2020, unless there are any objections. There were no objections and the business license for Round Table Pizza was revoked for non-payment.

Engagement Letter and Fees for the 2020 OPEB Actuarial Valuation Services with MacLeod Watts in the Amount of \$7,300.00.

City Manager Switzer stated this agenda item is for approval of an engagement letter that is now required in the City's audits and for any public organization within the State of Nevada. The letter includes the calculation of benefits for retirees from the City of Yerington regarding health insurance. The requirement for the audit is to include the amounts and translates into liabilities incurred and to be paid by the City for retirees. The costs need to be incurred at the time and also journal entries to incur liabilities for future costs.

Mayor Garry stated these requirements are beyond our abilities to provide these benefits and insurance from the City. City Manager Switzer stated that is correct.

Councilman Bryant asked how long the audit should take. City Manager Switzer stated these services will not hold up the City's overall audit. The calculations are estimated to be between four to six weeks and the audit is due at the end of this calendar year.

Councilman Bryant made a motion to approve an engagement letter and fees with MacLeod Watts in the amount of \$7,300.00 as presented, seconded by Councilwoman Catalano. City Attorney Zumpft stated that the participation of the board members needs to be audible to the public. A vote cannot be accounted for by written comment and must be heard by the public. Councilwoman Schunke approved of the motion and Mayor Garry stated that the motion was carried unanimously.

Resolution 2020-04, a Resolution to Declare that the City of Yerington will Review Water and Sewer Rates to Service Debt Operations, Maintenance and Replacement Costs.

City Manager Switzer stated Resolution 2020-04 is necessary to satisfy the United States Department of Agriculture (USDA) in regards to the Water and Sewer Project. This project has a duration of 40 years for financing with construction lasting about eighteen months. The City is not required to give actual rates but is committed to increase rates in the future and to have enough reserves to pay the necessary payments. City Council approved Capital Management Company, the interim finance company for the Water and Sewer Project. The USDA will not finance the project until the project is completely

finished. Resolution 2020-04 has been presented to both entities and each are satisfied to proceed with the project. City Manager Switzer recommends Resolution 2020-04 be approved as presented.

Councilman Bryant would like clarification of the City needing to provide proof to the USDA that the loan can be repaid, the costs will increase and a good faith from the City to increase rates as needed. To secure the interim financing, does the results from the Farr West Engineering Rate Study need to be provided?

City Manager Switzer stated the City will present to all entities. The interim financing needs to sell bonds to pay for the construction of the project. The financing company needs to reassure investors that the City can pay back the costs of the loan. The USDA wants to make sure the City will continue to maintain funding for operational, debt service and maintenance costs.

Councilwoman Catalano stated the rates would need to increase over a period of time to repay the loan. City Manager Switzer stated that is correct. This project will need to be repaid within 40 years and the rates cannot remain the same for 40 years. The City does not have a completed rate study but the Rural Community Assistance Corporation (RCAC) has reviewed the City's rates and suggested an increase. The City is not contemplating a rate increase this year. After the Farr West Engineering Rate Study is completed, the rates will be reviewed and determined at that time. Assurance from the City to the USDA and investors is a high priority to repay the loan as well as paying all costs and reserves needed over time.

Mayor Garry stated this resolution is an obligation of the City for the next 40 years in order to service the debt. The City is obligated to in fact repay this loan over 40 years? City Manager Switzer stated that is correct.

Councilwoman Schunke made a motion to approve Resolution 2020-04, seconded by Councilman Martin. Mayor Garry asked for public comments, waited two minutes, no comments were made at this time and the motion carried unanimously.

Recommendation to put \$68,684.83 Received from Lyon County for Personal Property Tax from 2019 into the Fixed Asset Fund.

City Manager Switzer a correction to the agenda item needs to state into the General Fund instead of the Fixed Asset Fund. The City will receive the personal property tax money in the amount of \$68,684.83 from Lyon County, which were overlooked during the past fiscal year. The City will be receiving this amount by check from Josh Foli with Lyon County. Requirements state the funds need to be placed within the General Fund first. If this item is approved, City Council may want to move all or part of the amount to different funds which requires another agenda item. City Manager Switzer would recommend to move the amount to the Fixed Asset Fund after approval.

Councilman Bryant made a motion to approve receiving \$68,684.83 from Lyon County for personal property tax from 2019 into the General Fund, seconded by Councilwoman Catalano. Mayor Garry asked for public comments, waited two minutes, no comments were made at this time and the motion carried unanimously.

Update and Presentation on a Concept for the Yerington National Guard Armory as the New City of Yerington City Hall.

Public Works Director Flakus stated he will provide a presentation with a shared screen. An aerial view of the Armory is showing building A as City Hall, building B as Public Works and building C as the Council/Court room facility. One idea for building C, the Council/Court room, would be to move the gate to allow private parking for employees. Another idea is an addition to building C with the purpose to add a public waiting room and ADA compliant restrooms with a utility chase. Within the building is the Judge's office, the Court Clerks part time office and a stage with a ramp in the Council room. A small table and two chairs accompany an attorney and client meeting area, which is required for a Court room. A server rack for the recordings, monitor on the wall for the audience, smart board for presentations and also for the Council members and another monitor for Council. Public Works Director Flakus asked for any questions regarding building C and the concept.

City Manager Switzer stated that building C would be Municipal Court and the Council room, originally located at the gym. As the City moves forward with the occupancy of the Armory, the gym could be used for a stand-alone meeting area for the public or as an overflow to provide more space.

Councilwoman Catalano asked how many exits would be incorporated for building C? Public Works Director Flakus stated three exits will be added with alarms for evacuation of the Court room as needed. This concept has not been reviewed for fire review yet and the Fire Marshall will need to approve.

Councilwoman Catalano asked what the square footage for building C would be. Public Works Director Flakus stated the building will be 1,400 square feet plus a 300 square foot addition.

Public Works Director Flakus stated the jury area could be reconfigured when not in use. The City is currently purchasing a large number of chairs and the employees could take those chairs and use the gym if more of the public will be attending.

Public Works Director stated that building A provides a boiler room, a customer service area with one window but the City is considering to add another window. The City needs information from a structural engineer to open the customer service area. The entrance areas will provide ADA compliant doors with no touch and automatically open. The Deputy Clerks will be up front. The Deputy Clerk Assistant and the Grants Administrator will be in one office attached to the City Clerk's vault. The kitchen will be used for the break room. The gym will be a great place for emergencies or evacuations

and could also provide food service. A large women's and men's restrooms, which are a lot larger than what is needed. The restrooms will be upgraded at a later phase in the near future. A building records and planning commission room will be within this building. The Mayor's office and dedicated office also available for Council members. One large room will be divided to provide two offices, one for the City Clerk and the other for the City Manager. The back door within building A will not be open to the public. A doorway will be remotely controlled by the customer service area to access the administration hallway.

Councilwoman Catalano stated within the original plan, the Police Department would move to the new building, did that change? City Manager Switzer stated the Police Department will stay at the information center. The City's desire is to have the Police Department at the information center for a short time. The current configuration cannot accommodate all officers of the Police Department. During phase two or three, the City would like to set a separate building adjacent or close to building A or C. The Police Department needs a customer service area and a large area for an evidence room.

Councilwoman Catalano stated the City is not entertaining the idea of the gym to utilize a space for the Police Department. City Manager Switzer stated the ideas or plans are up to City Council. The City has not determined how much area will be provided for public access. An emergency gathering place or spillover for gathering or events would be a great idea for the gym. The main goal of the City is to bring the whole City together.

City Manager Switzer stated City Council may want to table or approve the general concept created by staff. A definitive answer or decision has not been made because a structural engineer might have other ideas or solutions. For final approval, the concept needs to be brought back to City Council again. At this time, a conceptual drawing is only being presented.

City Manager Switzer stated an urgency is in place to spend the Coronavirus Relief funds with a deadline to spend \$295,000.00 by September 1st. The City has purchased chairs for City Council, which are easier to disinfect and will fit into the concept. The City need to be committed to spend before September 1st or will lose out on the funding.

Councilwoman Catalano stated the City did a great job and phases will be a good idea.

Councilman Bryant made a motion to approve a concept for the Yerington National Guard Armory as the new City of Yerington City Hall as presented, seconded by Councilwoman Catalano. Mayor Garry asked for public comments, waited two minutes, no comments were made at this time and the motion carried unanimously.

Discussion on the Financial Statement (FS-10) for Fiscal Year 2020-21.

City Manager Switzer stated a financial statement (FS-10), which is the financial health of the City. On page 4, the ending fund balance for the General Fund for the month

of July 1st through July 31st. Currently, the City has a net revenue increase in the amount of \$654,011.83 projected for the month ending June 30, 2020 and may need to be adjusted as the audit moves forward. A net revenue for one month in the amount of \$186,468.20 and an ending fund balance in the amount of \$840,480.03 for the month ending July 31, 2020.

City Manager Switzer stated on page 16, an overview of the Water Fund shows an ending net revenue for the month of July 2020 in the amount of \$97,506.73. On page 17, the Sewer Fund shows an ending net revenue in the amount of \$64,303.60. Which would give the City an ending fund balance for the month of July 2020 in the amount of \$4,969,366.39.

City Manager Switzer stated the Water and Sewer Fund shows positive ending fund balances. The previous audit which ended in June of 2019 showed a negative net income in the Water Fund. An off set with the ending fund balance carried over from the previous year, which will happen again this year. The trend of the negative net income cannot continue into the future. A rate study will be done by the end of this year. If an emergency occurs, the City needs to have adequate reserves in place to cover the costs of unexpected emergencies.

City Manager Switzer stated on page 21 provides information of the Fixed Asset Acquisition Fund. This fund would pay for a new Police Department and Public Works vehicle. A healthy ending fund balance in the amount of \$747,258.96. No expenditures to date as of yet for this fiscal year, but a potential vehicle for Public Works and items City Council have approved are some expected expenditures for this fiscal year.

Discussion and Approval of Bills Previously Submitted for Payment

Bills, Salaries and Vouchers:

Accounts Payable Checks	8/3/2020	32622 through 32641
	8/11/2020	32644 through 32675
Payroll Checks	8/10/2020	32642
Payroll Vouchers	8/10/2020	8132001 through 8132020
Transmittal Checks	8/10/2020	32643
Transmittal Vouchers	8/10/2020	8102001

Mayor Garry stated that the bills previously submitted for payment would be approved as presented unless there are any objections, there were no objections and the bills previously submitted for payment was approved as presented.

Public Participation

Dwayne Halgrimson stated the City is doing a great job with the National Guard, which has been needed for years. Mr. Halgrimson is concerned of the money and all the different ideas. Mr. Halgrimson is requesting more transparency from the City and also the county.

Mayor Garry asked for public comments, waited two minutes and no further comments were made at this time.

Department Reports

Public Works Director Flakus stated Public Works is staying busy. Mayor Garry stated a customer complaint regarding the Water and Sewer Project and how it was handled was great.

City Manager Switzer stated another \$3,248.91 was added in the LGIP since last year. A cumulative amount of \$79,065.45 in interest on money invested has been earned. We received a thank you card from Mr. Travis Crowder with the Boys and Girls Club of Mason Valley, thanking the City for their efforts and hard work. The City is acting as the applicant for a CDBG grant which will assist the Boys and Girls Club of Mason Valley and their new preschool program. Nevada Copper has now restarted milling operations at Pumpkin Hollow and a press release is out as of this morning.

Councilman Bryant stated he would like to announce, at the Board of Lyon County Commissioners meeting, COVID-19 information was provided regarding Lyon County; Yerington has seen a 15% increase of cases. Councilman Bryant would like to request to remain vigilante regarding hand washing. A Public Safety and Public Works Committee meetings took place with ideas to include a potential K-9 program for the Police Department, a neighborhood watch program and a dog park for the community.

Councilwoman Catalano stated everything is moving forward and everyone is doing the best they can. If additional tours at the mine take place, to please not exclude other Council members who have shown interest and to be included. City Manager Switzer stated the tour was a community revisory council and will send invites to other Council members for the tours. Councilman Bryant stated his attendance at the Nevada Copper tour was as the proxy for a member of the Advisory Board.

Councilwoman Schunke stated she continues to appreciate all the work done by the City employees.

Councilman Martin stated he would like to say thank you to the City and all their due diligence.

Mayor Garry stated City is still working under the Governor's directives and we are all working towards getting better.

There being no further business the meeting was adjourned.

Mayor of the City of Yerington

ATTEST:

Administrative Director/Interim City Clerk