

EUREKA COUNTY BOARD OF COMMISSIONERS

January 21, 2020

STATE OF NEVADA)
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COUNTY OF EUREKA)

CALL TO ORDER

The Board of Eureka County Commissioners met pursuant to law on January 21, 2020. Present were Chairman J.J. Goicoechea; Vice Chair Michael Sharkozy; Commissioner Rich McKay; District Attorney Ted Beutel; and Commissioner Clerk Jackie Berg. The meeting was called to order at 9:30 a.m. and began with the Pledge of Allegiance. The interactive video conferencing system was connected and utilized between Crescent Valley and Eureka for the entire meeting.

APPROVAL OF AGENDA

The sage grouse item was removed from the Commissioners’ section. It was noted that dollar amounts for Items #2 and #3 in the Sheriff’s section were transposed, and the dollar amount for Item #4 under the same section is \$18,268.00. Commissioner Sharkozy motioned to approve the agenda as amended; Commissioner McKay seconded the motion; motion carried 3-0.

PUBLIC COMMENT

Chairman Goicoechea opened the floor for public comments.

Mike Tangreen and McKenna Hines, representing Eureka NewGen Farms, asked to read a letter, from their attorney, into the record:

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January 20, 2020

Board of Commissioners
Eureka County
P.O. Box 694
Eureka, NV 89316

RE: EUREKA NEWGEN FARMS, LLC – REQUEST FOR AGENDA ITEM

Commissioners:

My office represents Eureka NewGen Farms, LLC (“NewGen”). On January 8, 2020, McKenna Hines, on behalf of NewGen, emailed and requested an item be put on the January 21, 2020 Commission Agenda to discuss the Commission possibly entertaining a change to the marijuana ordinance in Eureka County.

On January 15, 2020, Ms. Hines again inquired as to the status of the request. On January 15, 2020, after the time to post the agenda, in compliance with the Open Meeting Law, Ms. Hines was informed that the agenda item was not going on the agenda, as federal law had not changed since NewGen was last on the Commission agenda in September 2018.

NewGen has been granted the only license for marijuana sales in Eureka County by the Nevada Department of Taxation. This license has come at a lot of work and expense to NewGen, both in terms of time and money. The proposed facility for NewGen is in the upper corner of Eureka County, near Elko County and Interstate 80, very far from any major populus [sic] of Eureka County citizens.

In the past few years, the prohibitions of marijuana sales throughout out [sic] Nevada are becoming more and more rare. Marijuana establishments are now open not only in Washoe and Clark County, but Elko County, Churchill County, Nye County and even Carson City.

While federal law has not changed, Nevada law is changing in 2020. Specifically, the provision in NRS 453.100 which allowed a local government to adopt and enforce local marijuana control measures pertaining to zoning and land use for marijuana establishments is no longer effective after June 30, 2020, arguably making Eureka County's total prohibition ordinance against marijuana establishments that are permissible under the Nevada Revised States unconstitutional. It is our position that this change in Nevada law changes the argument that an ordinance like Eureka County has enacted will not be permissible in the future.

As the only license holder for Eureka County, Nevada, NewGen would like to present a proposal to the Commission that would allow for Eureka County to keep its core values and considerations in tact [sic], allow NewGen the ability to open its facility within its granted geographic area and county, and remain consistent with Nevada law.

Eureka NewGen Farms hereby respectfully requests the opportunity to present its position and proposal to the Board of Commissioners at its next meeting.

Very truly yours,

/s/ Katie McConnell
KATIE HOWE MCCONNEL

Mr. Tangreen asked if NewGen Farms could be placed on the next agenda.

Chairman Goicoechea responded that NewGen Farms had been informed that the Board does not intend to consider a change to the County's ordinance concerning marijuana establishments until there is a change in legislation. NewGen Farms was informed of this in both an open meeting and more recently in response to its request to again be placed on the Board's agenda for the same item. When and if legislation changes, the Chairman offered that would be the appropriate time to submit an agenda request.

Robert Kennedy stated he resides on South Spring Street in Eureka. He recently visited with a surveyor working on the large road and utility project (Item #1 under the Public Works section) currently in the planning phase. He asked the surveyor if personal property lines might be affected or encroached upon by this project and the worker was not sure. Mr. Kennedy asked that the Commissioners provide residents and local businesses with the opportunity to review and comment on plans for this project before any construction begins.

APPROVAL OF MINUTES

December 20, 2019: Commissioner Sharkozy motioned to approve minutes of the December 20, 2019, Commission meeting; Commissioner McKay seconded the motion; motion carried 3-0.

January 6, 2020: Chairman Goicoechea stated he could not recommend approval of the January 6th minutes. He said the draft contained a lot of errors and he had concerns that certain items weren't accurately captured. He asked that the draft be rewritten and encouraged Clerk Recorder Lisa Hoehne to utilize Jackie Berg's experience in drafting the minutes.

Commissioner Sharkozy motioned to table the January 6, 2020, minutes; Commissioner McKay seconded the motion; motion carried 3-0.

COUNTY COMPTROLLER

Payment of Expenditures: Expenditures were presented for approval by Comptroller, Kim Todd. Commissioner Sharkozy motioned to approve expenditures in the amount of \$321,724.09 for accounts payable; \$250,594.77 for payroll and benefit related expenses (including employee paid deductions); \$237,154.13 for a pass-through tax allocation to the School District;

\$355,406.62 for a pass-through to the State Controller; \$495.43 for a pass-through to the Department of Taxation; \$213.00 for a pass-through to the Washoe County Crime Lab; and \$141.47 in Yucca Mountain expenses; for a grand total of \$1,165,729.51. Commissioner McKay seconded the motion. Motion carried 3-0.

Fund Balance Report: The Board reviewed a report of all current fund balances.

COMMISSIONERS

Medicaid Match Contract: The County has a Medicaid Match Contract with the State in which it agrees to pay the nonfederal share of expenditures, set forth in statute, as a mandatory part of the State Plan for Medicaid. The HIPAA Business Associate Agreement in the contract is being replaced with a Confidentiality Addendum and Section 7 of the contract will now include a “not to exceed” amount for the counties. The State has asked all counties and NACO to approve the changes, after which they will move forward with the updated contracts.

Commissioner Sharkozy motioned to approve the requested amendments to the Medicaid Match Contract with the Nevada Department of Health & Human Services, Division of Health Care Financing & Policy. Commissioner McKay seconded the motion. Motion carried 3-0.

IT / NETWORK

Quest Quote: A quote from Quest for wireless equipment installation in Crescent Valley was tabled until the next meeting because the amount on the agenda did not match the amount in the quote.

Out-of-State Travel: Commissioner Sharkozy motioned to authorize out-of-state travel for IT Director Misty Rowley to travel to Chicago March 15th-19th for the CompTIA Communities & Council Forum. Commissioner McKay seconded the motion. Motion carried 3-0.

Ms. Rowley informed that Syber Networks is providing a ticket for the Forum, so the County will only incur traveling costs.

AMBULANCE & EMS

Report on Activities: EMS Director Kenny Sanders reported there were a total of 21 ambulance calls for the month of December. Two were transports to air ambulance (one to MedX AirOne and one to REACH Air). There were 247 total runs in Calendar Year 2019, a 22% increase over 2018.

Mr. Sanders shared that he has a couple of promising options that may result in filling the full-time EMT position in Crescent Valley.

Health Services Integration, Inc.: The County has contracted with Health Services Integration since 2015 to outsource the ambulance billing. HSI recently notified Mr. Sanders that, effective February 1st, it is increasing its compensation rate from 6% to 8% for monies collected on ambulance bills. The contract amendment will be placed on the next agenda.

DISTRICT ATTORNEY

Hiring Freeze Waiver – Legal Secretary: Commissioner McKay motioned to waive the hiring freeze and authorize the District Attorney to hire a Legal Secretary at range 119 on the County salary scale; Commissioner McKay seconded the motion; motion carried 3-0.

SHERIFF

Quarterly Reports: Sheriff Jesse Watts provided a quarterly report showing Patrol and Detention statistics for October, November, and December. There were 6,704 patrol incidents with 12 arrests and 171 citations.

There were 27 new bookings and a total of 27 inmates housed at the Detention Facility during the quarter, for a total of 381 inmate days. Five inmates were housed for other agencies during the quarter.

Annual Statistics: There were 15,026 patrol incidents in 2019 with 55 arrests and a total of 367 citations (an increase of 30 incidents over 2018). The Detention Facility housed 84 inmates in 2019, for a total of 1,145 inmate days, an increase of 54 inmate days over the previous year. There were 186 animal calls for the year.

Sheriff Watts explained that he worked with staff to revamp incident categories (by consolidating or eliminating certain categories) so that Deputy fuel stops, general phone calls, etc., are no longer logged as incidents. The recorded incidents do include activities at the Detention Center including inmate checks, meals, and dispensing of medication. He can provide detailed incident reports and comparisons upon the Board's request.

Integrated Telehealth Solutions Contract: Integrated Telehealth Solutions has been providing mental health services to inmates at the Detention Facility for over a year at no charge. In addition to psychiatry and counseling services, ITS provides services related to substance abuse detox and suicide watch. The inmate participates by using an iPad for the telehealth sessions. This service saves the County time and money, as many of the inmates utilizing the service would otherwise have to be transported to a mental health facility.

Commissioner Sharkozy motioned to approve a contract with Integrated Telehealth Solutions for mental health services at the Detention Facility for Calendar Year 2020, not to exceed \$5,400.00. Commissioner McKay seconded the motion. Motion carried 3-0.

Contract with Martin-Ross Investigation: Commissioner Sharkozy motioned to approve a contract with Martin-Ross Investigation & Security Services to conduct background investigations on potential new hires for the Sheriff's Office for Calendar Year 2020, in the amount of \$5,000.00. Commissioner McKay seconded the motion. Motion carried 3-0.

This is the same company that the County contracted for this service in late 2018 and for Calendar Year 2019.

Hiring Freeze Waiver – Deputy I, II, III: Sheriff Watts submitted a Hiring Freeze Waiver request for a Deputy that resigned effective December 31st. Sheriff Watts explained that Deputy Is are hired non-certified and have 12 months, with a possible 6-month extension, to obtain POST (Peace Officers Standards & Training) certification; Deputy IIs have basic POST certification; and Deputy IIIs have advanced certification.

Commissioner Sharkozy motioned to waive the hiring freeze and authorize the Sheriff to fill the vacant position of Deputy I, II, or III; Commissioner McKay seconded the motion; motion carried 3-0.

Advanced Step-Hire: Sheriff Watts requested authorization to hire a Dispatcher candidate at a range 117, step 4, on the salary scale due to four years of dispatching experience and additional years of related experience.

Commissioner Sharkozy motioned to authorize an advanced step hire, pursuant to Personnel Policy 5.7.3, for a Dispatcher I due to the applicant's qualifications and previous training; Commissioner McKay seconded the motion; motion carried 3-0.

LiveScan Fingerprinting Machine: The Board originally approved purchase of a fingerprinting machine for Crescent Valley in January 2019 to be paid out of that year's budget. The machine was delivered in April, but due to technical issues, it took several months to complete installation and get it working properly. Since it will now be paid in a subsequent budget year, Sheriff Watts asked the Board to ratify the original action.

Commissioner Sharkozy motioned to ratify capital outlay purchase of a LiveScan fingerprinting machine, for the amount of \$18,268.00, to be paid with capital outlay in the Sheriff's budget for the current fiscal year (2019-2020). Commissioner McKay seconded the motion. Motion carried 3-0.

12-Hour Shifts for Dispatchers: Sheriff Watts explained that Dispatchers are currently working 12-hour shifts, by unanimous request, but formal authorization from the Board has been pending a legal opinion from outside counsel. Based on the opinion, it was determined that the

County cannot make 12-hour shifts mandatory for Dispatchers, but those wishing to work 12-hour shifts can sign and be granted a variable work schedule.

Commissioner Sharkozy motioned to authorize Eureka County Sheriff's Office Dispatchers to continue working 12-hour shifts on a variable work schedule; Commissioner McKay seconded the motion; motion carried 3-0.

WALKER & ASSOCIATES

Contract Extension: The County has contracted with Walker & Associates for lobbyist and other professional services for several years. Mr. Walker, who has a background in range management and water, helped on the County on various water issues. His wife, Mary, has a background in government finance.

Mr. Walker explained that they work 70-hour weeks during legislative years, but continue important activities in interim years, including working with interim committees, sustaining relationships with the legislators, and keeping informed on upcoming bill drafts. Mr. Walker offered to provide quarterly reports to the Commissioners and noted that he is retiring in about 18 months, so does not wish to extend the contract beyond July 1, 2021.

Commissioner Sharkozy motioned to extend the contract with Walker & Associates for 18 months, through June 30, 2021, at a continued rate of \$2,000.00 per month; Commissioner McKay seconded the motion; motion carried 3-0.

TREASURER

Treasurer's Report: The Treasurer's Report for December 2019 was presented by Treasurer Pernecia Johnson showing an ending General Fund balance of \$30,141,292.06.

MEDICAL CLINICS ADVISORY COMMITTEE

Clinical Services Contract: Irma Davila, Chair of the Medical Clinics Advisory Committee, was in attendance to provide the Committee's recommendations to the Board regarding the upcoming fiscal year contract with William Bee Ririe Hospital.

MCAC recommends reducing the number of physician days from eight per month (two days per week) to an average of four times per month throughout the 52 weeks of the year. After studying number of patient visits with the various physicians, the Committee felt this recommendation was justified. With this change, the contract amount can be reduced by \$104,000.00.

Hand-in-hand with reduction in physician days is a recommendation to reinstate a partial level of after-hours care. Mr. Walker, CEO for WBRH, has agreed to provide after-hours coverage from the time the Eureka Clinic closes on Friday afternoon until the clinic reopens on Monday morning, for full weekend coverage (holidays excluded). The additional amount in the annual contract for these services will be \$108,160.00. Mr. Walker has offered to begin the weekend coverage in March, at no additional cost to the County, for the remainder of the current fiscal year.

MCAC's budgetary recommendation for the Fiscal Year 2020-2021 clinical services contract is \$637,160.00, a net increase of \$4,160.00 representing the recommended changes. Ms. Davila added that WBRH has obtained rural health clinic status for the Eureka Clinic. Adjusted reimbursement rates for Medicare and Medicaid should be established sometime over the next year. WBRH has agreed to reduce the contractual amount in accordance with the increased reimbursement revenues.

Commissioner Sharkozy motioned to approve the recommendations of the Medical Clinics Advisory Committee related to the Fiscal Year 2020-2021 clinical services contract with William Bee Ririe Hospital, with the following changes: physician days will be reduced to an average of four times per month; weekend on-call coverage will be provided at the Eureka Clinic from the time the clinic closes on Friday until it opens the following Monday, excluding holidays; with an

annual contract amount of \$637,160.00. Commissioner McKay seconded the motion. Motion carried 3-0.

Physical Therapy Contract: The Committee met with Demarah Gray, Physical Therapist and Owner of Rehab Services of Nevada, regarding the physical therapist contract for the upcoming fiscal year.

The current contract provides for a minimum of one and up to two clinic days per week. The County reimburses mileage and the hourly professional rate for travel time up to two days per week, and pays a subsidy for any number of patients below the target of eight patients for the first clinic day in any given week, with no patient subsidy paid for the second clinic day.

The Committee recommends that the contract remain the same except for some minor clarifications. New contract language should reflect that William Bee Ririe Hospital now operates the Eureka Clinic, should state that mileage reimbursement will track the federal mileage reimbursement rate, and should specify that all services provided in Eureka (whether at the clinic, in-home, or at the school) will be calculated towards the target eight patient minimum.

Commissioner Sharkozy motioned to approve the recommendations of the Medical Clinics Advisory Committee related to the Fiscal Year 2020-2021 physical therapy services contract with Rehab Services of Nevada; Commissioner McKay seconded the motion; motion carried 3-0.

MCAC Seeking Direction: Ms. Davila relayed that the Committee is interested in honest community feedback regarding clinic services. The Committee discussed the option of placing a comment box at the Eureka Clinic, but wanted to be cognizant of HIPAA laws and Open Meeting Law, so sought the Board's direction.

There was a brief discussion between Ms. Davila, the Board, and District Attorney. Chairman Goicoechea noted that the public has access to MCAC's agendas and the Commissioners' agendas and can reach out with complaints or concerns at any time and, therefore, felt a comment box was not advisable.

Another option the Committee considered was a public forum to hear comments and to educate the public about changes in services. But, again, MCAC was concerned about running into Open Meeting Law issues by not holding a formal meeting. Instead, the Committee hoped William Bee Ririe would host a public forum, possibly some evening at the Opera House.

The Commissioners agreed that, if Mr. Walker is willing, it is preferable that William Bee Ririe schedule the public forum. MCAC and Commission members could attend, and this attendance could be noticed to the public.

COUNTY FACILITIES

Activities/Events at County Facilities: Joyce Jeppesen, Assistant Public Works Director-Administration, reported on activities at County managed facilities.

Eureka Opera House: In December, the Opera House had 23 walk-in visitors and 743 attendees at various events, which included the Rocky Mountain Elk Foundation banquet, McEwen Mining's Christmas Party plus its two-day annual meeting, the winter piano concert for Carolyn Olsen's students, and the New Year's Eve Firemen's Ball.

Sentinel Museum: The Museum had 79 visitors in December. Ree Taylor continues working on donations and exhibits. The 1918 Mergenthaler Linotype, located in the Sentinel Museum printing room, has been added to linotyperegistry.org and is one of only 16 machines still in existence.

Eureka Swimming Pool: There were 157 swimmers at the Pool in December. A lifeguard class has been scheduled for February and there are already six people interested. Two lifeguards will be sent to Water Safety Instructor training in February. The Pool is averaging four to five private swimming lessons per week.

Eureka Canyon Subdivision: A total of 10 lots have been sold at the Eureka Canyon Subdivision, and there are 59 remaining. One application is currently pending.

Eureka Airport: Fuel sales are down a bit at the Airport – in December, 240 gallons of avgas and 140 gallons of Jet A fuel were sold. Fixed Base Operator, John Walzl, is very happy with the new snow plow, which was purchased with the FAA grant.

Eureka Landfill: There were 430 customers at the Eureka Landfill in December. 81.965 tons of municipal waste and 133.65 tons of construction and demolition debris were processed.

PUBLIC WORKS

Public Works Update: Public Works Director Ron Damele reported on Public Works projects and activities. A fair amount of time is being spent on budget preparations.

Utilities & Facilities: All utility systems are in good working order.

FY2020-2021 Road & Utility Improvement Project: Mr. Damele reported that the surveyors for the upcoming Road & Utility Improvement Project are in the process of obtaining copies of all records of survey, parcel maps, and history of any property corners established in the last 25 years. Once a preliminary report is completed, this will allow Public Works to reach out concerning any potential right-of-way or property line issues.

Radio Repeater Upgrades: The FCC approved the licensing modifications for the upcoming radio repeater upgrade and Western States Enterprises is drafting a radio program in preparation for the massive radio switchover that will likely take place in June.

Kobeh Valley Test Well Project: Boart Longyear Drilling Services has reached 365 feet on the Kobeh Valley Test Well and has cemented in 10-inch casing. Boart is removing the dual tube reverse rig and will begin working with the reverse circulation rig and expect to drill through bedrock by end of work on January 21st. Costs are currently at \$152,000.00, which is tracking as expected on the overall bid of \$263,000.00.

Eureka Landfill: The new building was delivered to the Landfill. The utility crew is setting it up, wiring electricity, installing insulation, and installing and connecting the generator.

Tower Space Rental to SkyFiber: Mr. Damele explained that the temporary 90-day agreement to rent tower space in Crescent Valley to SkyFiber recently expired and he extended the agreement for two additional months. He did this, in part, because the public lands surveyor working with SkyFiber unexpectedly passed away. This will allow time for the County to work with SkyFiber and another engineer on lease of County property for a more permanent tower location in that area for SkyFiber.

Klindt Building Demolition: Retention was released on the Klindt Building Demolition Project. The original bid on the project was \$564,000.00 and the contractor's work came in at approximately \$450,000.00 for a substantial savings on the overall project.

Utilities Worker I Job Description: Mr. Damele explained that after 22 years with the County, Kathy Kinkade is going to retire. The job description was last updated in 2007 and, since that time, this position has accumulated additional duties. He asked that the Board approve an updated job description to reflect these duties before a replacement is hired.

Commissioner Sharkozy motioned to approve the Updated Utilities Worker I job description; Commissioner McKay seconded the motion; motion carried 3-0.

Hiring Freeze Waiver – Utilities Worker I: Commissioner Sharkozy motioned to waive the hiring freeze and authorize Public Works to fill the position of Utilities Worker I in Crescent Valley; Commissioner McKay seconded the motion; motion carried 3-0.

Casual Worker IV – Custodian/Office Aide: One of the positions in Crescent Valley will assume duties associated with the Public Works office, including clerical support for the Crescent Valley Town Advisory Board. Mr. Damele asked that this person be granted extended hours, up to allowable limits, to accommodate the new duties.

Commissioner Sharkozy motioned to authorize the Casual Worker IV – Custodian/Office Aide in Crescent Valley to work up to and not to exceed 29 hours per week, up to and not to exceed 119 hours per month, and up to and not to exceed 1,039 hours per year. Commissioner McKay seconded the motion. Motion carried 3-0.

Dump Truck Purchase: Monies for a new dump truck were budgeted in the Capital Projects Fund and Mr. Damele provided a quote from Peterbilt Truck Parts & Equipment under Sourcewell Contract #081-716-PMC, noting that purchasing under this contract reduced the price by \$86,000.00.

Commissioner Sharkozy motioned to approve purchase of a 2020 Peterbilt Model 367 15-foot end dump truck from Peterbilt Truck Parts & Equipment, utilizing Sourcewell Contract for a price not to exceed \$165,290.00, to be paid from the Capital Projects Fund; Commissioner McKay seconded the motion; motion carried 3-0.

NATURAL RESOURCES

Report on Activities: Natural Resources Manager, Jake Tibbitts, reported on recent activities, meetings, and upcoming events.

CEQ NEPA Rewrite: Mr. Tibbitts reported that the comprehensive rewrite of NEPA (National Environmental Protection Act) regulations by the Council on Environmental Quality was just posted in the Federal Register with a 60-day comment period. This is the first time the Council has revised the regulations since they were first adopted. Mr. Tibbitts will present the County's comments to the Board for approval in March, closer to the comment deadline.

Scoping for BLM Grazing Regulations: The BLM has posted notice in the Federal Register that it will be preparing an EIS to update grazing regulations and that it is seeking scoping comments. Four public meetings have been scheduled across the country and one of those will be held in Elko on February 18th. The Chairman encouraged interested parties to attend, noting that opponents will surely be out in full force.

Lahontan Cutthroat Trout: The US Fish & Wildlife Service and Nevada Department of Wildlife are working on issues throughout the State concerning Lahontan Cutthroat Trout, a threatened species under the Endangered Species Act. An interagency meeting is scheduled in Reno on January 22nd. Mr. Tibbitts wanted the Board to be aware because there are streams in Eureka County that have this species and some streams (mostly in Pine Valley off Roberts Mountain) are designated recovery streams, so the fish can be transplanted to bolster its population numbers.

CNRWA to Meet in Eureka: The March 13th meeting of the Central Nevada Regional Water Authority will be hosted in Eureka in the Commission Chambers of the County Courthouse. Mr. Tibbitts noted that this would be a good meeting for the Board, or locals interested in water issues, to attend.

Certification of Expenditure of Title III Funds: The County receives annual payments through legislation, Secure Rural Schools & Community Self-Determination Act, which provides tax payments to counties to replace lost revenues from tax-exempt forest lands. There are three Titles to the Act. Title I receives the bulk of the funding for roads and schools. The remaining funds are split between Title II and Title III. Title II funds are used by the Forest Service for its Resource Advisory Committee. Title III funds can be designated for certain programs or activities, and Eureka County has selected to use the funds for the Firewise Communities Program.

A total of \$8,705.45 was spent in Calendar Year 2019. The report of expenditures is due by February 1st of each year. Commissioner McKay motioned to approve the 2019 Certification of Expenditures of Title III Funds; Commissioner Sharkozy seconded the motion; motion carried 3-0.

FRTC Modernization Final EIS: Notice was received from the Navy that the Final EIS on the Fallon Range Training Complex Modernization was publicly released on January 10th. After a 30-day waiting period, the Navy will sign the Record of Decision. Although there will be some substantial impacts on Eureka County, Mr. Tibbitts felt the final product was much improved over earlier versions. In order to clarify items in the ROD, the NAVY continues to work with the parties who signed the Nevada Consolidated Request.

A public meeting on the Final EIS is scheduled at the Fallon Convention Center on January 28th. Later that week, on January 30th, the Navy will meet with the Governor's office, State agencies, and affected counties and tribes (parties of the Consolidated Request).

Sage Grouse Issues: In relation to the State Plan (Nevada Greater Sage-grouse Conservation Plan), Mr. Tibbitts facilitated the adaptive management meeting for the South Central Area on January 9th in Battle Mountain. He has been asked to facilitate the meeting for the North Central Area (Humboldt County, northern Washoe County). It is outside Eureka County, but will benefit the entire State. The Board agreed that this is a worthwhile effort.

The Chairman continues to work towards resolution on the Forest Service Plan Amendment. More objections are expected from the special interest groups who are anti mining and grazing. There is talk of scheduling another objection resolution meeting in Salt Lake City.

CORRESPONDENCE

Correspondence was received from: Treasurer Pernecia Johnson; Comptroller Kim Todd; Public Works, Ron Damele; Medical Clinics Advisory Committee (2); Senior Centers Advisory Board; County Advisory Board to Manage Wildlife; Television District Board; Crescent Valley Town Advisory Board; Northeastern Nevada Regional Development Authority; Nevada Assoc. of Counties; Great Basin College; Nevada Department of Health & Human Services; Nevada POOL/PACT Human Resources; Nevada State Jr. High & High School Rodeo Assoc.; Nevada Dept. of Transportation (2); Nevada Div. of Water Resources (2); Nevada Secretary of State; Climate Reality Project; US Dept. of the Interior-BLM (3); and US Dept. of the Navy (2).

A letter will be sent to the Nevada State Jr. High & High School Rodeo Association thanking the Association, but declining an invitation to consider hosting its State Finals Rodeo in 2021.

FISCAL YEAR 2020-2021 BUDGET

For Information Only – Benefits of a Tax Rate Increase: The Board is not considering a tax increase for the upcoming fiscal year, but for informational purposes, Assessor Michael Mears agreed to give a brief presentation on financial benefits of an increase. With a general rate of \$1.8743, Eureka County has the lowest general tax rate, *by far*, of all counties in the State of Nevada.

The County raised its tax rate in Fiscal Year 2017 by \$0.10. Mr. Mears explained that due to abatements, it takes many years to realize substantial revenue flows from any tax increase. Residential properties are capped at 3% per annum and other properties, with a few exceptions, have a tax cap of up to 8% (this higher cap is calculated each year based on various factors and has been as low as 2.6%, superseding even the 3% residential cap).

There is always interest in revenue derived from net proceeds of minerals tax. The State-set rate for net proceeds is \$5.00 per \$100.00 of assessed valuation (of gross mineral yield). The State levies this tax and reimburses the County its tax rate. At the County's current general tax rate (which includes a \$0.17 State rate allocated back to the State), the State is retaining a much higher percentage of net proceeds tax than the County, which is a common argument for raising the general tax rate. There are no tax caps on net proceeds.

Because of the tax caps, the recent \$0.10 tax increase cost most residential property owners between \$50.00 to \$100.00 per year in additional taxes. Mr. Mears noted that Nevada Gold Mines, due to the recent merger of Barrick and Newmont and other acquisitions, owns just over 60% of all real property in Eureka County and, therefore, would be the most impacted by any tax increase.

Using general calculations based on the \$0.10 tax increase in FY17 and the most recent year's net proceeds calculations, Mr. Mears stated that another \$0.10 tax increase would increase property tax revenues by about \$700,000.00 and net proceeds revenues by about \$157,000.00 per year.

Chairman Goicoechea commented that other counties have raised their general rates to capture a larger chunk of the net proceeds tax and have still faced financial hurdles. He wants to

continue with the philosophy of sustaining the County through good times and lean times with responsible budgeting and not unnecessarily burdening the taxpayers of this County, including the mines, because that in turn can have a detrimental impact on jobs.

The Chairman invited comments and there were none.

RECESS FOR LUNCH

The Board recessed for lunch from 12:05 to 1:00 p.m.

FISCAL YEAR 2020-2021 BUDGET - WAGE & SALARY SCALE

Salary Range Assignments: At the last meeting, the Board reviewed proposed changes to correct some disparity in the County's wage and salary scale. Changes were not proposed to the hourly rates on the scale; but, to create more uniformity with all departments, the Board considered reassigning job descriptions to more appropriate ranges (upon assignment no employee will be paid less than their current rate of pay).

Comptroller Kim Todd now provided an updated salary scale, stating that she took the Board's direction, considered comments from employees, and met with supervisors who had outstanding areas of concern. She was able to rework the proposed changes so that, in addition to not being assigned a lower hourly rate, no employee will "top-out" prematurely (reach the last step on their respective range).

In a brief discussion, Commissioner McKay felt this was a good first step. Chairman Goicoechea spent time comparing the salary scale to other counties and found it fair and competitive (better than most), adding that this allows the County to hire a quality workforce.

Commissioner Sharkozy motioned to approve the new wage and salary scale assignments for each job description as presented by the Comptroller; Chairman Goicoechea seconded the motion; motion carried 3-0.

Effective Date: The Board agreed that new salary range assignments will take effect with the first full payroll period in the new fiscal year. Commissioner Sharkozy motioned that the new salary range assignments are effective July 12, 2020, the first day of the first full pay period in Fiscal Year 2020-2021; Commissioner McKay seconded the motion; motion carried 3-0.

Addition/Deletion of Ranges: It was recommended that ranges not tied to any job description (or no longer tied to one) be deleted and that two ranges be added. Commissioner Sharkozy motioned to add range 135 to the regular salary scale, to add range 122 to the law enforcement salary scale, and to eliminate ranges 115, 116, 118, 120, 121, 123, 126, 127, 129, 130, 138, and law enforcement 126, effective July 12, 2020. Commissioner McKay seconded the motion. Motion carried 3-0.

FISCAL YEAR 2020-2021 BUDGET - COST OF LIVING & MERIT PROPOSALS

Proposed COLAs: Based on direction from the last meeting, Ms. Todd prepared updated proposals for cost of living allowances based on hourly rates of \$1.00, \$0.75, \$0.50, and percentages of 4%, 3%, and 2%.

Ms. Todd noted that most employees are not in favor of a percentage COLA as this causes higher-paid employees to receive a larger adjustment and they argue that the increased cost of goods and services is the same for everybody. Longevity rewards long-term employees with the 1% per year increase.

The Board had a lengthy discussion on appropriate salary increases while working to sustain the County's finances in a mining-based economy. Commissioner Sharkozy was in favor of a COLA, but noted that he received several comments that no raises should be given.

The meeting was attended by a considerable number of employees and several reminded the Board that, although COLAs were given last year and for the current fiscal year, there were five consecutive years before that without any cost of living adjustments. During the wage freeze, the Board promised to make it up once the County attained a healthier bottom line.

COLA (Hourly): Commissioner McKay motioned to give a \$0.75 cost of living adjustment to hourly employees for Fiscal Year 2020-2021; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Merit Increases (Hourly): Merits were also frozen for a period and reinstated in recent years. Commissioner McKay motioned to continue offering a one-step merit increase for Fiscal Year 2020-2021; Commissioner Sharkozy seconded the motion; motion carried 3-0.

COLA (Salary/Appointed): Salaried employees are not eligible for merit increases. Ms. Todd calculated a comparable adjustment. If salaried employees were eligible for merits and the \$0.75 COLA, it would calculate to an average 5.08%.

Commissioner McKay motioned to grant a 5.08% cost of living allowance for appointed salaried employees for Fiscal Year 2020-2021; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Elected Officials: Salaries for elected officials are frozen. Elected officials only receive salary increases when the State Legislature passes a salary bill, and the most recent bill has expired.

FISCAL YEAR 2020-2021 BUDGET - PERSONNEL REQUESTS

Work Study Proposal: The Board wished to have a work study conducted on any departments requesting additional personnel in the new budget year. This included one new employee in the Clerk Recorder's office, one new employee in the District Attorney's office, 7.5 new positions in the Sheriff's Office, and moving a (vacant) casual position to full-time in the IT Department.

After consulting with Nevada POOL/PACT, Ms. Todd contacted CPS HR Consulting, which estimated a minimum base amount of \$20,000.00 to complete a work study, but cautioned it could cost upwards to \$60,000.00. This was based on manpower required to collect and evaluate data for three departments, travel costs due to the remote location of Eureka, and completed results in a very short timeframe. The company did not feel a work study was needed for the IT Department, as it expressed surprise that the County only had one IT person.

The Commissioners had no appetite to spend up to \$60,000.00 for a work study, but may continue to look into other options.

Fiscal Impact of Requested Positions: Ms. Todd prepared a worksheet showing the fiscal impact if all requested positions were approved for the new fiscal year. The total for salaries and benefits equals \$1,064,089.30, and approximately \$16,000.000 can be added on top of that for the cost of living adjustment.

Clerk Recorder Personnel Request: The fiscal increase for one additional FTE (full-time equivalent) in the Clerk Recorder's office is \$83,353.00 in salaries and benefits.

Chairman Goicoechea stated he has been thinking about a solution that may help two departments. If the Commissioners assume a secretary position in their budget, which was done in the past, this would allow Lisa Hoehne to backfill the vacancy this would create in her office. She would gain one FTE position without the burden of Commissioner duties.

Ms. Hoehne responded that she is open to ideas, but reminded everyone that she is the Clerk of the Board.

Commissioner McKay felt it was a viable solution for Ms. Hoehne to acquire the staff she says she needs. Commissioner Sharkozy agreed that he thought it would work. The District Attorney also felt it was doable. Chairman Goicoechea will consult with the District Attorney to see how the Board did this in the past and to work out the details.

IT / Network Personnel Request: The amount for one FTE in the IT Department is \$86,508.00, but this is not a net increase since the current budget includes funding for a casual employee. Based on the need, and after the comment from the work study company, the Board agreed this was a necessary position.

Commissioner Sharkozy motioned to approve increasing the casual position in the IT Department to a full-time equivalent in the Fiscal Year 2020-2021 budget; Commissioner McKay seconded the motion; motion carried 3-0.

District Attorney Personnel Requests: Additional personnel requests from the District Attorney include a Deputy District Attorney position, increasing salary of the (vacant) Chief Deputy DA position by \$10,000.00, and adding casual hours. Excluding casual hours, this results in a net increase of \$153,373.00.

Mr. Beutel clarified that the requested salaries for the sworn positions are not starting salaries, but will allow the ability to negotiate if the appropriate candidate is found. He noted that there is currently a window of opportunity to impart institutional knowledge and provide training and mentoring to Deputy staff, and that opportunity might not always exist.

After a lengthy discussion, Commissioner McKay motioned to continue funding the vacant Legal Secretary and Chief Deputy DA positions (including an additional \$10,000.00 for the latter), agreed to increase casual hours to 1,039 total hours, but declined to add a Deputy DA position. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

This results in a net increase to the District Attorney's personnel budget of \$10,000.00, excluding casual hours.

Sheriff's Office Personnel Requests: Sheriff Watts' personnel requests include one Dispatcher, two Patrol Deputies for traffic safety County-wide, one Patrol Deputy for the north end, two Patrol Deputies for the south end, one new Detention Deputy, and a casual Bailiff position (also in Detentions). The net cost for the requested new positions would be \$734,938.00 (with \$104,487.00 funded by Nevada Gold Mines for one traffic safety position).

Sheriff Watts explained the need for additional staff. In 2013, the Sheriff's Office responded to 9,000 incidents and had 29 FTEs; in 2019 there were over 15,000 incidents with an approved staffing level of 22 FTEs. The Chairman reminded everyone that some of the staff was put in place in anticipation of the population increase expected with the Mt. Hope Mine.

Sheriff Watts explained that the part-time Bailiff is needed due to legislative changes that will result in increased jury trials in both District Court and Justice Court. An additional Detentions Deputy will ensure 24/7 staffing of the Jail. Additional Patrol Deputies will allow for 24-hour coverage on both ends of the County. Statistics support the need for the traffic safety Patrol Deputies, and Nevada Gold Mines will pay for one of the two positions.

With the current vacancies in the Sheriff's Office, the Commissioners all voiced concern that it was difficult to gage the actual need for additional staff until all vacancies are filled. The Chairman stated they want to meet the needs, but want to remain fiscally responsible.

Commissioner McKay motioned to include a casual Bailiff in the Sheriff's budget for the upcoming fiscal year; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Sheriff's Office – Undersheriff Salary: Sheriff Watts asked that the Undersheriff's salary be increased to be 95% of the Sheriff's salary (as was done under a previous administration). This will result in an increase of approximately \$12,000.00. The Sheriff noted that the Undersheriff is the only salaried employee who does not have the same benefits package as appointed staff.

Commissioner Sharkozy motioned to grant the request that the Undersheriff's salary be increased to be 95% of the Sheriff's salary in the upcoming budget year; Commissioner McKay seconded the motion; motion carried 3-0. *(If this change needs to be added to the Personnel Policy, more action by the Board will be required, including a resolution and public hearing.)*

Public Works Personnel Request: Ron Damele requested minor changes to casual hours in his departments. Chairman Goicoechea motioned to grant the request to move 200 casual hours from the Opera House budget into the Public Works budget for the upcoming fiscal year, and to increase it to 800 hours for a pool of casual hours that can be utilized in any department under Public Works. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

FISCAL YEAR 2020-2021 BUDGET – DEPARTMENTAL BUDGETS (PROPOSED)

(NOTE: All budgets are tentative and subject to revision before the final budget.)

Juvenile Probation: Juvenile Probation Officer Steve Zimmerman presented budget requests for Juvenile Probation, for a net increase of \$1,500.00 over the current fiscal year. Increases are related to programs and additional activities (most programs are paid with pass-through grant funds), as well as software and licensing costs related to case management. He requested that the Juvenile Probation AA (Administrative Assessment) Fund remain status quo.

Ambulance & EMS: EMS Director Kenny Sanders explained that most increases in his tentative budget are related to increased costs for services and supplies. New items include installation of phones in the ambulances and a new laptop for training. He asked that the contracts line item be raised to reflect actual costs for the Medical Director's monthly fee.

Mr. Sanders requested that capital outlay be increased to \$50,000.00 for purchase of a rapid response vehicle. The current vehicles are hand-me-downs from the Sheriff's Office with high mileage.

Senior Centers: Senior Centers Program Director, Millie Oram, reviewed the proposed Senior Centers budget with a requested increase of approximately \$4,000.00. Equipment was increased to \$3,000.00 for purchase of home-delivery supplies, and there were minimal increases to services and supplies, fuel, and vehicle maintenance. Ms. Oram noted that meat donations this past year have allowed the Centers to avoid added costs related to raw food.

Ms. Todd stated a new cook stove for the Senior Center in Crescent Valley will be budgeted in the Capital Projects Fund.

Treasurer; Public Guardian: Treasurer Pernecia Johnson presented budgets for her departments. She proposed that the Treasurer's budget remain status quo, except for a \$2,000.00 increase in bank charges.

For the Public Guardian budget, Ms. Johnson explained that services are ever increasing and every incident has been on an urgent and emergency basis. Mr. Beutel has been a tremendous help, but she fears there will be a need to engage outside counsel, so is asking for \$40,000.00. The court may order partial reimbursement if an estate has financial means, but that is not guaranteed.

Clerk Recorder; Recorder Tech Fund; Elections; District Court: Clerk Recorder Lisa Hoehne described the changes requested in her budgets. She moved quite a few line items around in the Clerk Recorder budget and was able to decrease amounts in several line items. The largest increase is related to records management to microfilm Clerk documents, and she requested \$10,000.00 in capital outlay for a new copy machine.

Ms. Hoehne asked for \$15,000.00 in the Recorder Tech Fund, a \$2,000.00 decrease from the current fiscal year. She proposed that the Elections budget remain status quo.

Services and supplies in the proposed District Court budget includes \$10,000.00 for a new copier, but this line item was reduced overall by \$2,000.00. Data software contracts were reduced by \$5,000.00, and drug court was reduced by 50% to \$8,000.00. Increases include \$2,000.00 for child protective services, \$5,000.00 for microfilm, \$8,000.00 for incidental court expenses, and \$2,000.00 for annual maintenance. The capital outlay amount is still unknown – pending a quote to replace the JAVS (Jefferson Audio Video System) and court telepresence. The preliminary estimate for JAVS is \$46,000.00, but actual numbers will be presented later.

Natural Resources; NRAC; Game Board; DV Weed District; DV Rodent District: Jake Tibbitts noted that he is submitting all status quo budgets, with one exception. A net increase of \$2,500.00 is included in the Natural Resources budget because he has been advised to purchase a new computer. Mr. Tibbitts gave a brief overview of the remaining budgets and what items and activities are funded from the budgets, including: NRAC, Game Board (a State-funded budget), Diamond Valley Weed District, and Diamond Valley Rodent District.

Water Mitigation Fund: Mr. Tibbitts repeated his philosophy about the Water Mitigation Fund. Although the original funding of \$1 million from Barrick (\$100,000.00 annually over ten

years for water studies) is no longer in the fund balance, he felt the fund should be used for its original purpose and not as a litigation fund. This budget has funded the US Geological Survey water studies and the Hydrogeologist contract. Mr. Tibbitts recommended continuing to budget this fund at \$300,000.00, anticipating environmental studies may be needed related to the Kobeh Valley Test Well.

Natural Resources Multiple Use Fund: Similar to the Water Mitigation Fund, the Natural Resources Multiple Use Fund is established by resolution for specific purposes. This fund has been building for a couple of years, but some litigation will be charged against it in the current fiscal year. Mr. Tibbitts suggested it be budgeted the same as in the current fiscal year.

District Attorney; Law Library: Ted Beutel noted the primary item necessitating increases in his budget – the barrage of public records requests, for which the law only provides a short timeframe in which to respond after processing voluminous amounts of information. Thus, the requested increase of \$130,000.00 in contract services. Mr. Beutel asked that the County examine record retention laws against its current practice of backing up ‘everything’. If the County retains it, it must be produced in a public records request. The remaining \$9,500.00 sought is to support activities related to an increase in staff, including travel and training. The proposed budget for the Law Library is status quo.

Mr. Beutel advised there is another area that should be addressed. An information campaign for the older population in the County would be beneficial. Many of the older residents do not have family and don’t recognize that there are resources available to begin their own estate planning before they become yet another emergency case for the Public Guardian and the District Attorney.

Data Processing (IT): Misty Rowley presented the Data Processing budget, noting that there were several minimal increases, and two main increases. The first is a requested increase for software to support services formerly provided by BCT that are now being provided by the IT Department. The other requested increase is in contract services, primarily to complete migration off Express Internet and onto County wireless infrastructure.

Agricultural Extension: Extension Educator Gary McCuin presented the Agricultural Extension budget, noting that the budget was reviewed and approved by Dr. Ivory Lyles, Director of University of Nevada Cooperative Extension. Dr. Lyles is requesting that the County now fund 20% of the Extension Educator position, as well as paying all time and travel for specialists (other requests were minimal). Mr. McCuin noted that these additions increased his budget from \$93,000.00 to \$130,000.00, and he felt the only way to sustain it into the future would be to increase the \$0.01 tax allocation to Ag Extension. Lastly, he asked for \$200,000.00 in capital outlay to be used towards the Agricultural Research Station planned for Eureka.

Chairman Goicoechea is member of a working group through NACO and acknowledged that the group has asked for more extension education and programs in the rurals, but nobody indicated that counties would be burdened with additional costs. The Chairman felt this was unacceptable and will address it through NACO to get a response before the final budget.

Assessor; Assessor Technology Fund: Michael Mears reviewed the proposed Assessor budget, noting it had a net decrease of \$2,300.00 from the current fiscal year. There were minimal increases to data software, machine maintenance, postage, office supplies – due to the increased cost of these services; but \$10,000.00 in contract services was deleted because outside appraisal services will not be needed. There may be additional savings by outsourcing printing and mailing of tax statements – several counties are waiting for a special Nevada rate from a different printing company.

Mr. Mears recommended a status quo budget for the Assessor Technology Fund. He has some planned expenses, particularly GIS upgrades, but also uses this as a contingency fund for technology failures or unforeseen needs in the entire County.

Comptroller; Annual Audit: Ms. Todd increased some items in the Comptroller budget to reflect the rising cost of supplies, noting that use of paper, printers, and ink have increased related

to the Tyler Technologies software. There was a small additional cost for switching drug testing companies, but it is a more reliable service. Travel/training was increased. It is also necessary to budget for some unknowns related to HR, such as investigations. Ms. Todd noted that this budget pays for data software contracts related to Tyler that are used by her office, the Treasurer's office, and Public Works.

Ms. Todd is requesting a status quo amount for the Annual Audit budget, which includes the cost of a special audit, in the event one is needed (required if the County receives \$750,000.00 or more in grant funds).

Commissioners; North End Activities; D&T Center (Medical Clinics); Libraries: Ms. Todd discussed the Commissioners' proposed budget with the Board, noting that she increased travel and training by \$5,000.00 based on what it is tracking in the current year. The Board recommended a slight increase to cover annual NACO dues, an additional \$150,000.00 in miscellaneous legal fees, and a \$70,000.00 increase in contract services (this is potentially for an HR Analyst to assist the Comptroller's office with HR duties and to analyze needs and actions of other departments).

The D&T Center budget can remain status quo. It will cover the physical therapy contract and has enough cushion to absorb the small increase in the clinic contract (\$150,000.00 for the contract will be budgeted in the Indigent Hospital Fund).

The North End Activities Fund will be budgeted the same as previous years.

The budget for the libraries hasn't been officially submitted, but the Library System wants some minor increases, including a 3% COLA for wages and salaries. Ms. Todd will budget an additional \$10,000.00 to cover the differences. The Library System is accepting bids under the E-rate Program for fiber installation to the libraries. The County has an opportunity to share in a project to install fiber to Crescent Valley at a greatly reduced rate. Library staff will contact the IT Director to discuss the details.

Fund Maintenance: Ms. Todd recommended that the County review its funds in the near future and establish whether fund balances are adequately designated by resolution and, if not, consider adopting resolutions and creating any new funds necessary to ensure that balances are fully protected.

Schedule Budget Meeting: Chairman Goicoechea apologized that he cannot attend the February 6th meeting due to a family obligation. He offered that a special meeting could be scheduled so that progress on the tentative budget can continue.

After some discussion, everyone agreed to schedule a budget meeting on February 4th beginning at 9:30 a.m.

PUBLIC COMMENT

Chairman Goicoechea called for public comments.

Lisa Hoehne informed that she found alternative agenda management software with reduced annual maintenance rates, if the Board is interested.

Jayme Halpin thanked the Board for approving the COLA, stating it will be greatly appreciated by the employees.

ADJOURNMENT

Commissioner Sharkozy motioned to adjourn the meeting; Commissioner McKay seconded the motion; the meeting was adjourned at 3:45 p.m.

Approved by vote of the Board this 6th day of February, 2020.

/s/ J.J. Goicoechea, DVM
J.J. Goicoechea, Chairman

I, Jackie Berg, Commissioner Clerk, attest that these are a true, correct, and duly approved minutes of the January 21, 2020, meeting of the Board of Eureka County Commissioners.

/s/ Jackie Berg
Jackie Berg, Commissioner Clerk

I, Lisa Hoehne, Clerk Recorder of Eureka County, acknowledge and accept the attached minutes as approved by the Board of Eureka County Commissioners and attested to by the Commissioner Clerk.

/s/ Lisa Hoehne
Lisa Hoehne, Clerk Recorder