

EUREKA COUNTY BOARD OF COMMISSIONERS
February 20, 2015

STATE OF NEVADA)
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COUNTY OF EUREKA)

CALL TO ORDER

The Board of Eureka County Commissioners met pursuant to law on February 20, 2015. Present were Chairman J.J. Goicoechea; Vice Chairman Michael Sharkozy; Commissioner Fred Etchegaray; District Attorney, Ted Beutel; and Executive Assistant, 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

Commissioner Sharkozy motioned to approve the February 20th agenda as posted; Commissioner Etchegaray seconded the motion; motion carried 3-0.

PUBLIC COMMENT

Chairman Goicoechea opened the floor for public comments. Budget Director, Michael Mears, informed everyone that revenue forecasts for Fiscal Year 2015-2016 were received from Nevada Department of Taxation. Eureka County's general tax revenues for the upcoming fiscal year are projected to be \$10.5 million. The previous fiscal year was \$12.6 million, so this is more than a \$2 million decrease in general revenues. This figure is comprised primarily of ad valorem tax (property taxes) and consolidated tax (largely made up of sales tax). The reduction is mostly attributable to a decline in sales tax. This general tax figure does not include net proceeds of minerals, but zero net proceeds are anticipated for the upcoming fiscal year.

APPROVAL OF MINUTES

January 20, 2014: Commissioner Sharkozy motioned to approve the minutes of the January 20, 2015, Commission meeting; Commissioner Etchegaray seconded the motion; motion carried 3-0.

FINANCE

Payment of Expenditures: Expenditures were presented for approval by Deputy Recorder & Auditor, Tina Hubbard. Commissioner Etchegaray motioned to approve expenditures in the amount of \$134,221.90 for accounts payable, \$268,191.64 for payroll, \$396,618.54 for a pass-through tax allocation to the School District, and \$2,263.99 for Yucca Mountain expenses, for a grand total of \$801,296.07. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

Auditor's Report: The Board reviewed the Auditor's Report showing current fund balances and account activity.

COMMISSIONERS

Update Reports: Commissioner Etchegaray attended the Barrick Ruby Hill Community Advisory Committee meeting on February 11th in the Commissioners' Chambers.

Commissioner Sharkozy attended a Search & Rescue meeting on February 9th in Crescent Valley; attended the Crescent Valley Volunteer Fire Department meeting on February 10th; attended the NevadaWorks meeting in Reno on February 13th; and attended the Medical Clinics Advisory Committee meeting on February 17th.

Chairman Goicoechea traveled to Carson City to meet with Governor's staff and members of Nevada Department of Conservation & Natural Resources on February 9th to

discuss ongoing issues with the US Fish & Wildlife Service; attended a hearing on February 9th for Senate Bill 11, termed the 'home rule' bill; participated in a conference call with Nevada Division of Forestry on the afternoon of February 9th regarding the Wildland Fire Protection Program; met with Clerk & Treasurer, Beverly Conley, and District Attorney, Ted Beutel, on February 11th; met with the Elko District BLM on the afternoon of February 11th; taught a class on grazing practices at the University of Nevada Reno on February 12th; attended a meeting at the NACO office on February 12th; met with Lawrence VanDyke, Nevada Solicitor General, on the afternoon of February 12th; had a meeting with Resource Concepts, Inc., in Carson City on February 13th regarding Resource Management Plan revisions; attended a Nevada Cattlemen's Association meeting the afternoon of February 13th; had a phone call on February 13th regarding the Data Quality Act challenge; attended a Nevada Veterinary Medical Association meeting in Las Vegas on February 17th where he was elected President-elect of that organization; attended a Biochar Workshop hosted by the University of Nevada in Minden on February 18th; testified at the Nevada Legislature on Senate Joint Resolution 5 in support of the State Plan, Alternative E in Greater Sage-Grouse Draft EIS; met with Bob Roper, State Forester-Firewarden, on February 19th; and attended a Sagebrush Ecosystem Council meeting on February 19th.

Meeting Highlights: Chairman Goicoechea provided details on the meeting with the Elko District BLM. It was in regards to grazing Environmental Assessments that are being done for permit renewals. The BLM is combining several permittees with similar allotments and completing a single EA. Overall, it was a good meeting, but the BLM indicated they will require a four-inch stubble height on the uplands. On a dry year, many of the native species never reach four inches. The BLM's motivation for this stubble height is to provide cover for the sage grouse.

The meeting with NACO officials addressed ongoing issues with sage grouse and US Fish & Wildlife Service and their memo in favor of a 3% disturbance cap, which equates to 3.5 million acres in northern Nevada where development will not be allowed.

Nevada Aging & Disability Services Division Contract: The Board reviewed the contract from Nevada Aging & Disability Services Division for provision of services to children with disabilities. The document contained some open blanks regarding service billing rates. Commissioner Sharkozy motioned to table the contract from Nevada Aging & Disability Services Division until the service billing rates could be researched and noted in the contract; Commissioner Etchegaray seconded the motion; motion carried 3-0.

Sagebrush Ecosystem Program & Nevada Greater Sage-Grouse Conservation Plan: The County continues working with Nevada Association of Counties and mining and energy stakeholders in support of the Sagebrush Ecosystem Program and Nevada Great Sage-Grouse Conservation Plan that were put forth by the Sagebrush Ecosystem Council. Chairman Goicoechea serves as Chair of the Sagebrush Ecosystem Council and will provide regular updates.

Nevada Legislative Session: County legislative representatives continue tracking numerous bills before the Legislature. Chairman Goicoechea commented on one bill before the Assembly Government Affairs Committee. SB 102 would provide for creation of rangeland fire protection associations. Chairman Goicoechea felt it was a good concept, but the language is somewhat liberal on how these associations can be formed. There needs to be some protection for local counties so they aren't responsible for equipment maintenance, training, or other liabilities related to numerous rangeland fire protection associations that could result from proposed language.

AMBULANCE & EMS

Activity Report: EMS Coordinator, Mike Sullivan, reported on emergency services since his last update on January 20th. Eureka had 15 calls for service (21 year-to-date) and Crescent Valley had two calls for service (four year-to-date). Volunteer staffing level remains mostly stable, with one EMT, who has been on inactive status, moving from the area. Continuing

education training was held on February 2nd and February 12th for both Eureka and Crescent Valley. Training is scheduled in Eureka on February 23rd and Crescent Valley on February 26th.

The MPTV (multi-patient transport vehicle) is nearly finished and is ready to respond if needed. Mr. Sullivan plans on applying for a SERC (Science & Engineering Research Center) grant through the Local Emergency Planning Committee to purchase powered air purifying respirators. In reference to the measles and mumps outbreaks nationally, Mr. Sullivan encouraged everyone to make sure they have been immunized and recommended that older individuals get a booster vaccination.

Certificate of Recognition for Michael Boharsik: Mr. Sullivan noted that this month's training was on anaphylaxis, a severe and often deadly allergic reaction. The new epinephrine kits are quite expensive, costing about \$500.00 each. Mr. Sullivan commended Michael Boharsik, EMT-2, for making sealed kits for the County, which include everything provided in the retail kits at a fraction of the cost. Cost savings to the County was nearly \$5,000.00.

Mr. Boharsik was in attendance, and amidst applause from the Board and others present, Mr. Sullivan presented him with a certificate of recognition and thanked him for his efforts.

HEALTH INSURANCE COMMITTEE

Affordable Care Act: Kim Todd, Chair of the Health Insurance Committee, recently brought to the Board's attention some new regulations under the Affordable Care Act that may affect how the County manages its casual employees. Ms. Todd researched this further and she was in attendance to provide an update.

Eureka County is considered a 'large employer' under standards of the Act. Once employers reach the threshold of 50 employees or more, seasonal or casual employees working 30 or more hours per week (or 120 hours per month or 1,560 hours per year), must be provided health insurance.

Ms. Todd informed the Board that County policies related to casual workers fall short of the minimums outlined in the Act, so as long as casual employees adhere to policy, this insurance provision in the Affordable Care Act will not affect Eureka County.

Eureka County policies limit casual employees to fewer than 20 hours per week and they may not exceed 1,039 hours per year. *(Note: these are not guaranteed hours; the hours for each casual position are set according to what is budgeted in the respective department for that position).*

EUREKA CANYON SUBDIVISION

Request to Discount Lots: David Clark submitted a written request and appeared before the Board to ask that five lots in the Eureka Canyon Subdivision be discounted for the purpose of constructing stick built single family homes. Mr. Clark explained that his request was based on several things. He already purchased one lot and built a home in the subdivision and after lot purchase, cost of construction materials, and real estate broker fees, there was only enough profit from sale of the home to cover wages. With the incentive of lower lot prices, more homes could be built, encouraging growth in that area and providing property taxes to the County (lots are currently tax exempt as they are owned by the County). Most lot purchasers are moving in modular homes and Mr. Clark believed the original intent of the subdivision was for stick built homes. He maintained that if lot prices were feasible to provide an adequate profit margin, there would be other developers interested. The market for homes in Eureka is not as high as surrounding areas, such as Elko. The market infiltration of homes sold by Barrick Gold has, at least temporarily, reduced salability of other homes.

The Board discussed stipulations tied to lots in the subdivision – contiguous lots cannot be purchased and there is a timeframe for construction of a house – and asked Mr. Clark if these would be a problem. Mr. Clark agreed that the two-year construction deadline might be difficult, depending on how fast the completed homes are purchased.

Current asking price of the lots is \$2.50 per square foot and lots range in size from 9,000 to 12,000 square feet. This price was originally set by comparing nearby values (lots in the Townsite of Eureka are valued at \$2.00 per square foot) and by including a value for the utilities

(all lots in the subdivision have water and sewer stubbed in to the lots). The price was not based on what return the County would get on their investment for developing the lots. Mr. Clark was asking the County to discount the price to \$0.20 per square foot and felt anything higher would not leave a profitable margin. He pointed out that subdivision property recently sold for commercial purposes was sold for less than \$0.20 per square foot.

The Board agreed with the need to sell lots in the subdivision and discussed the possibility of a developer discount when multiple lots are purchased. Chairman Goicoechea asked Assessor Michael Mears if this would create a negative impact related to value of the properties. Mr. Mears replied that it would not, because property value will be assessed after the homes are built. The Board considered the equitability to previous and pending purchasers if lots are discounted, but felt they would be in align with industry standards by offering a developer discount. The Board felt a discount to \$0.20 was substantial and asked Mr. Clark to recalculate his numbers and return later in the meeting for further discussion.

Continued Discussion on Lot Discount: Mr. Clark returned later in the meeting and explained that based on what houses appraise for and sell for in this area, it simply wasn't feasible for him to pay more than \$0.20 per square foot for the lots. He stated he was basically asking for a wholesale discount to a developer and not a retail price for a private purchaser. He stated the selling price of the lots may make the difference between a subdivision with stick built homes or a subdivision made up of manufactured houses.

The Board was still uncomfortable with the level of discount requested. Chairman Goicoechea suggested that Mr. Clark meet with Assessor Mears, Public Works Director Damele, and the Chairman outside of the meeting for a more in-depth discussion. Commissioner Etchegaray motioned to table the request to discount lots at the Eureka Canyon Subdivision; Commissioner Sharkozy seconded the motion; motion carried 3-0.

PLANNING COMMISSION

Resolution Honoring Ronald Rankin: Department Assistant, Anne Kniefel, was in attendance to help present a resolution in honor of Ronald Rankin, who recently retired from his longtime service on the Planning Commission. Commissioner Etchegaray motioned to adopt the resolution honoring Ronald Rankin for his many years of service on the Eureka County Planning Commission; Commissioner Sharkozy seconded the motion; motion carried 3-0. Mr. Rankin received a standing ovation from those present as he accepted the signed resolution.

Eureka, Nevada

February 20, 2014

RESOLUTION

HONORING RONALD J. RANKIN

FOR HIS MANY YEARS OF SERVICE TO EUREKA COUNTY

WHEREAS, the Board of Eureka county Commissioners wishes to honor Ronald J. Rankin for his many years of dedicated service to the Eureka County Planning Commission; and

WHEREAS, Eureka County acknowledges the following biographical information: Ronald (Ron) was born September 5, 1943, in Santa Monica, California, to Raymond & Alice Rankin. He graduated from Woodrow Wilson High School in Los Angeles, California, in June 1961. He married Linda Marie Pridgen on December 29, 2964. Ronald and Linda raised two children, David and Paul, and are the proud and loving grandparents of three grandsons and one great-granddaughter.

Ron has many talents and provided his abilities as an outstanding mechanic by winning 1st place in the Los Angeles County Plymouth Troubleshooting Contest in 1961. Ron continued with his skills as a mechanic in the US Navy from 1961-1964 & 1974-1976. Following his service with the US Navy, in 1976 Ron formed the Atlantic Shipping Company, a successful trucking business hauling supplies for the US Military. This company journeyed four million miles without a chargeable accident or freight claim.

In addition to his love of family, Ron also shows an admiration for the tranquility of Nevada outdoors and is an active member of the Diamond Valley Baptist Church. Ron moved to Pine Valley, Nevada, in 1992 and continues to reside there with his wife Linda; and

WHEREAS, Eureka County hereby recognizes Ron's many years of service to the Eureka County Planning Commission. Ron was appointed to the Eureka County Planning Commission in October 1996. He was a member for 18 consecutive years, serving as Chair for five of those years! Through his tenure on the Planning Commission, Ron saw many changes in Eureka County and dealt with many issues in a County that is proud to have no zoning. Some of these changes included updates to Eureka County Code, creation of the Eureka County Master Plan, and dealing with issues related to building of a new subdivision. Ron was a huge asset to the Planning Commission with his vast knowledge of land issues.

NOW THEREFORE, BE IT RESOLVED that the Board of Eureka county Commissioners recognizes Ron Rankin for his lifetime accomplishments and commends him for his dedicated service to Eureka County.

BE IT FURTHER RESOLVED that this resolution be published in the minutes of the Board of Eureka County Commissioners to remain a part of the permanent and historical records of Eureka County.

ADOPTED this 20th day of February, 2015.

BOARD OF EUREKA COUNTY COMMISSIONERS
COUNTY OF EUREKA, STATE OF NEVADA

/s/ J.J. Goicoechea

J.J. Goicoechea, Chairman

/s/ Michael Sharkozy

Michael Sharkozy, Vice Chairman

/s/ Fred Etchegaray

Fred Etchegaray, Member

Attest: /s/ Beverly Conley

Beverly Conley, Eureka County Clerk

PUBLIC WORKS

Temporary Road Maintenance Equipment Operator I: Public Works Director, Ron Damele, presented the job description for the Barrick Gold funded employee outlined in the Memorandum of Understanding between Eureka County and Barrick Gold to provide road maintenance in the JD Ranch area. The job description was reviewed and modified by the District Attorney and Human Resources specialists with Nevada Pool PACT. Commissioner Etchegaray motioned to accept the job description for Temporary Road Maintenance Equipment Operator I, at Range 115 on the County wage scale; Commissioner Sharkozy seconded the motion; motion carried 3-0.

This temporary position is contingent upon the special funding provided by Barrick Gold; when funding ceases the position will be eliminated. This will be conveyed to all applicants and the successful candidate for this position.

Interlocal Contract & Wildland Fire Protection Program Scope of Work: This contract will serve as renewal of the contract currently in place (from January 1, 2014, through June 30, 2015). Mr. Damele explained that it is a two-year contract at \$150,000.00 per year. In addition to other services, this contract gives Eureka County the ability to access the State's fire emergency fund should the County suffer a catastrophic fire. Commissioner Etchegaray motioned to approve the two-year Interlocal Contract effective July 1, 2015, with Nevada Department of Conservation and Nevada Division of Forestry for the Wildland Fire Protection Program for a total amount of \$300,000.00; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Request to Join Devil's Gate GID: A petition was received to join the Devil's Gate GID water system from Don Hull for APN 007-380-71 and APN 007-380-73. This matter was approved in a separate meeting by the Board of Directors for the Devil's Gate GID. Commissioner Etchegaray motioned to authorize Don Hull to join the Devil's Gate GID for water service to APN 007-380-71 and APN 007-380-73; Commissioner Sharkozy seconded the motion; motion carried 3-0.

CLERK & TREASURER

Treasurer's Report: The Treasurer's Report for January was provided by Clerk & Treasurer, Beverly Conley. Ending balance for the month was \$51,353,955.09. Ms. Conley informed the Board that a new investment account was opened with First Empire, a firm that was highly recommended by Treasurers from Humboldt and Elko Counties. Eureka County has also done business with this group in past years. Ms. Conley invited the Board members to visit her office at any time to review the monthly financials which serve as backup for preparation of the monthly Treasurer's Report.

NATURAL RESOURCES

Report on Activities: In the interest of time, Natural Resources Manager, Jake Tibbitts, postponed his regular report on activities.

BLM Fish Creek Herd Management Area (HMA) Wild Horse Gather: Mr. Tibbitts reported on status of the BLM Fish Creek Herd Management Area wild horse gather and fertility control treatment. Area ranchers, farmers, and others filled the Commissioners' Chambers for this agenda item to show their support of the County's actions related to this issue.

Recently, the BLM made a decision on an Environmental Assessment and immediately moved in to gather approximately 200 horses from the Fish Creek Herd Management Area. Once a decision is signed on an EA, a 30-day appeal period is required. Yet the day the BLM signed the decision, the contractor began moving into the area to set up facilities for an immediate gather. Regulations allow the BLM to immediately remove horses under emergency conditions, but those did not apply in this instance. Of the approximately 200 horses gathered, the BLM intended to vaccinate the mares with fertility treatment and return them to the range. Mr. Tibbitts explained that 400 horses would need to be gathered to return the area to AML (appropriate management levels), which for this HMA is a range of 101 to 170. The Wild Horse & Burro Act requires the BLM to bring a heard to AML as soon as that number is exceeded, but regulations do not support removal prior to the appeal period and regulations do not support return of any horses to the range.

In addition to noncompliance with national policies, there are multiple issues involved with the BLM's actions. Based on the BLM's own numbers, there is no forage in the area allocated to horses, yet they continue to allow horses to overrun while reducing livestock numbers for every permittee on this range. One has reached the point where it is no longer economical to operate his ranch. The BLM has pressured this permittee into hauling water to the horses, some of it coming from Diamond Valley.

The BLM often argues that they don't have holding facilities for the horses, but space has recently become available. Another gather scheduled after this one is not moving forward because of a temporary restraining order and injunction. Additionally, the national gather deadline is fast approaching (BLM policy does not allow gathers after February 28th because of foaling season).

Due to these issues and to block the BLM from returning any of the horses to the HMA, the Commissioners called a litigation meeting on February 19th and filed a formal appeal and petition for stay with Administrative Appeals, US Department of the Interior. Commissioner Etchegaray motioned to ratify the decision to move forward with a formal appeal and petition for stay related to the BLM's Fish Creek Herd Management Area wild horse gather and fertility control treatment; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Update on Formal Appeal & Petition for Stay: Mr. Tibbitts provided an update on the appeal and petition for stay. Notice must be served on the person who signed the decision; in this case Mike Vermeys, Acting Field Manager of the BLM Battle Mountain District. Mr. Tibbitts relayed that just a few moments earlier, he received confirmation from the attorney that administrative staff at the Office of Hearings & Appeals now considers the appropriate party served. Expedited consideration was requested on this filing, but it is now out of the County's hands.

Public Comment: Chairman Goicoechea invited public comment on these matters. Rancher, Kevin Borba, first thanked the County for their actions in backing the ranchers. He stated he is new to the area but is willing to fight due to his compassion for the ranching industry and the families affected. His family loves the area and wants to stay, but their hands are tied and the actions of the BLM are running them out of business. Mr. Borba described his allotment numbers which have been cut from 416 to 140, and from 506 to non-use and then to 105 following meetings with the BLM. He hoped his speaking up would help someone else.

Jim Wise, owner of the Fish Creek Ranch, currently doesn't have grazing on BLM lands, but still deals with the horse numbers. He is constantly checking his fences because the horses pressure their way through looking for water and feed. Once the fences get knocked down, his cows get out. The problem is only going to increase if the numbers aren't controlled.

George Parman stated he has been around this country for many years. What bothers him is that the BLM won't authorize water hauls when cattle are out of water, but they will furnish water to the horses. They turn their back and let the horse numbers build up. The horses are damaging the range, not only for livestock, but they are destroying habitat and forage for wildlife and game animals. Mr. Parman thanked the County for standing behind the ranchers.

Daniel Venturacci asked if the Environmental Assessment addressed the takings issue related to water and the financial hardship experienced by ranchers when this takings is imposed by reintroduction of the horses.

Funding of Actions Related to Fish Creek HMA: Mr. Tibbitts recommended that the Board dedicate funding towards this issue. Both the Natural Resources budget and the Natural Resources Advisory Commission budget have monies set aside for these matters. Commissioner Sharkozy motioned to authorize utilizing up to \$7,500.00 for actions related to issues surrounding the Fish Creek HMA wild horse gather and fertility control treatment; Commissioner Etchegaray seconded the motion; motion carried 3-0.

Natural Resources Advisory Commission: Mr. Tibbitts explained that the last meeting of NRAC focused on strategies and proposed budget for the upcoming fiscal year. He reviewed the priorities as follows: continued pursuit of coordination with federal agencies; sage grouse and related challenges; preparation of RS 2477 road claims; review of BLM Rapid Ecoregional Assessments; more involvement in water related issues; pursue decreasing federal land ownership; establish or retain partnerships/memberships in groups with similar goals; and creation of a Multiple Use Preservation Fund. Combined estimated cost to pursue these activities is \$350,000.00 and will span more than one fiscal year. Mr. Tibbitts proposed utilizing water mitigation funding for a portion, as this has been funding the now completed USGS water study at about \$100,000.00 per year. He also proposed utilizing a portion of the funds returned by the Community Development Corporation, as many of these strategies will protect the socioeconomic basis of the County.

These strategies and related budget will be discussed in more detail at the next Commission meeting. Commissioner Etchegaray motioned to table further discussion related to NRAC priorities and budget; Commissioner Sharkozy seconded the motion; motion carried 3-0.

3 Bars Ecosystem & Landscape Restoration Project EIS: Commissioner Etchegaray motioned to table the 3 Bars Ecosystem & Landscape Restoration Project EIS to the next regular meeting; Commissioner Sharkozy seconded the motion; motion carried 3-0.

COUNTY FACILITIES & ECONOMIC DEVELOPMENT

Update Report: Cultural, Tourism, & Economic Development Director, Andrea Rossman, reported on activities for the Opera House, Sentinel Museum, and Economic Development. Upcoming events at the Opera House include classical musicians, Brad Richter and Viktor Uzur, on March 6th; and Eureka County High School Principal, Dan Wold, who will perform on March 20th with his band, The Scarlet Verbs. A detailed museum report outlined accessions for 2014 and year-to-date in 2015, as well as current research and other ongoing projects. Approval of the Eureka County Comprehensive Economic Development Strategy was received on February

11th from the US Economic Development Administration. The next meeting of the Economic Development Program Board is March 11th. The Great Basin Regional Development Authority will meet on March 2nd in Battle Mountain.

Ms. Rossman provided a meeting schedule showing utilization of the Opera House meeting rooms for January. The downstairs meeting room rents for \$50.00 per day and the upstairs (Grand Ballroom) rents for \$110.00 per day.

County Phone Book: Ms. Rossman and Economic Development Department Assistant, Cindy Beutel, requested authorization to publish the Eureka County phone book. Last year the book was printed in-house at an estimated cost of \$3.50 each. A quote was obtained from a printer in Elko who can publish each 32-page booklet for \$3.00. The winning photo from the Eureka County Fair will be utilized for the front cover. Commissioner Etchegaray motioned to authorize printing 1,000 copies of the Eureka County phone book, not to exceed \$3,000.00; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Discussion with ECEDP Board Members: Economic Development Program Board members, Karen Rowley and Diane Wise, were in attendance to discuss the upcoming budget year, projects identified in the Comprehensive Economic Development Strategy, and utilization of funds recently returned by the Community Development Corporation (CDC). Ms. Rowley stated the ECEDP would like some direction from the Commissioners related to their vision for economic development in Eureka County.

The ECEDP sent a letter to the Commissioners in December requesting that the returned CDC funds be set aside for economic development and stating that the ECEDP was conducting research related to utilization of these funds. Chairman Goicoechea noted that Ms. Rossman met with him recently regarding ECEDP's interest in these funds to help finance businesses within the County. At that time, he indicated that a project which aligned with Eureka County's goals might be considered for a grant or matching grant. This might include a biochar enterprise, renewable energy, something addressing the groundwater basin in Diamond Valley, or something supporting agriculture or mining industries which sustain Eureka County. Commissioner Sharkozy suggested something in light industry along the Interstate-80 corridor or along the railroad. Chairman Goicoechea added that if the public land transfer is successful, it will open up some checkerboard land in the north end of the County.

The Board indicated they recognized the need for economic diversity in the County. They invited the ECEDP, as an advisory board, to bring ideas back and to communicate with the Commission on a more regular basis.

Ms. Rowley noted that the ECEDP has completed most duties outlined in County Code, but has not completed a scope of work and budget as it directs. The ladies asked for input on whether this is the course the Commission would like them to take. Chairman Goicoechea responded that it is within their duties to prepare a scope of work and budget, but to keep in mind the budget shortfalls the County is facing. Extra projects must be planned with alternate funding sources in mind, such as grants.

MEDICAL CLINICS ADVISORY COMMITTEE

NVHC Quarterly Performance Audit: The Medical Clinics Advisory Committee met on January 22nd to conduct the quarterly performance audit of Nevada Health Centers, Inc., for the period covering October, November, and December. Garney Damele, Chair of the MCAC, presented results of the audit. A penalty of \$5,700.00 was recommended based on lack of a second provider at the Eureka Medical Clinic for a total of 19 days at \$300.00 per day. The original penalty of \$6,000.00 was discussed with representatives of NVHC and one item was resolved, resulting in an agreed upon reduced penalty of \$5,700.00.

Commissioner Etchegaray motioned to accept the recommendation of the Medical Clinics Advisory Committee on the quarterly performance audit to assess a \$5,700.00 non-performance penalty to Nevada Health Centers for the second quarter of Fiscal Year 2014-2015; Commissioner Sharkozy seconded the motion; motion carried 3-0.

2012 Audit of NVHC: The Committee recently reviewed the audit of NVHC conducted in 2012 and asked whether the Board would be interested in conducting another audit. The Board felt it wouldn't provide any practical change for the time being.

Update on NVHC Contract: Ms. Damele informed that the Committee has begun reviewing language for the upcoming contract with NVHC. Data has been tracked from January 2013 to present and for most of that period NVHC has not complied with their contract, specifically with number and type of required medical providers. Ms. Damele spoke with Cheryl Temple, Director of Operations for NVHC, regarding recruitment of a physician for Eureka and the two possible recruits have declined the position. NVHC is fast approaching the end of the six-month waiver to allow for recruitment of a physician. Beginning March 19th, a \$600.00 per day penalty will accrue.

District Attorney, Ted Beutel, suggested that the Committee and the Board may want to consider a contract based on actual costs for providers rather than a contract with a penalty provision. The contract would only pay for the medical professionals provided. The Board agreed that the Committee should review a restructured contract.

Update on Physical Therapy Contract: Greg Barker, Physical Therapist and Director of Rehab Services of Nevada, spoke with the Committee at their meeting on February 17th. He answered a lot of questions and will provide a letter with a proposal for renewing the physical therapy contract.

CRESCENT VALLEY ACTIVITIES PROGRAM

Direction Related to Fiscal Year 2014-2015 Salaries: Based on a request from Adell Panning at an earlier meeting, the Board agreed to consider augmenting the Crescent Valley Activities Program salaries and wages for the current fiscal year. They asked Ms. Panning to provide a breakdown of what hours will be needed for the Social Activities Coordinator to complete remaining activities for the year.

Ms. Panning provided a written request asking that the maximum hours of 1,039 per year be budgeted. She requested an additional \$11,960.00 to cover 732 hours. She noted that not all of the hours will be used, but stated it was difficult to estimate what might be needed.

The Board inquired how many hours this casual employee works for the Senior Center (paid from that budget), and reiterated that a casual employee cannot work more than 19 hours per week. After calculating weeks remaining in the fiscal year and deducting six hours per week for work at the Senior Center, the Board determined that an augment of \$3,200.00 to salaries in the Activities Program budget should adequately cover activities for the remainder of the fiscal year. Ms. Panning agreed this would be sufficient.

Commissioner Sharkozy motioned to direct the Budget Director to augment the salaries and wages portion of the Crescent Valley Activities Program budget for Fiscal Year 2014-2015 by \$3,200.00 to be transferred from the General Fund; Commissioner Etchegaray seconded the motion; motion carried 3-0. At an earlier meeting, the Board approved an increase to the services and supplies portion of this budget in the amount of \$1,700.00, for a total addition to this program of \$4,900.00.

RECESS FOR LUNCH

The Board recessed for lunch from 12:15 to 1:15 p.m.

FISCAL YEAR 2015-2016 TENTATIVE BUDGET

Revenue Projections: Budget Director, Michael Mears, began with an overview of revenue projections for the upcoming fiscal year. Zero net proceeds will be budgeted. Very little is anticipated from Barrick Gold and any received from Newmont Mining will be credited against the \$8 million overpayment. Mr. Mears reminded everyone that net proceeds is never used for operations, but is used for infrastructure and capital projects.

The operating budget is primarily funded by ad valorem (property) tax and consolidated tax (CTX). Sales tax is the main component of CTX, which is made up of six different taxes.

General operating revenues are projected at \$10.5 million for Fiscal Year 2015-2016. This is roughly \$2 million less than the previous fiscal year's revenues of \$12.6 million.

Initially, the County had hoped to move forward with status quo budget allocations for most departments, but in light of the shortfalls, departments will have to take a harder look at their individual budgets. Some departments have already approached Mr. Mears to say they cannot cut any further.

Options to Reduce Costs: Several options were discussed to lower spending and narrow the gap between expenditures and revenues. The County will have to take a look at essential services and all discretionary spending. Roads will have to be prioritized and some may have to revert to gravel. The possibility of raising fees for services and rental fees for facilities will be reviewed. Most fees in the County haven't been raised in years, if ever. Most charges for services, such as fees for the three water systems (Eureka, Devil's Gate, and Crescent Valley), don't cover operating and maintenance costs, much less capital improvements. As an example, the media at the Crescent Valley arsenic treatment plant will soon be replaced at a cost of \$65,000.00 and this replacement must be done every 3-4 years.

Cost of Living Allowance: The County reported \$6.7 million in salaries and wages for calendar year 2014. County employees have not received a cost of living allowance (COLA) for two years. The option of an annual merit increase is still in place. The Board originally contemplated a COLA when revenues were expected to remain flat. With a loss of \$2 million, the Board simply didn't know where this would come from. They asked the Budget Director to calculate estimates for review at the next budget meeting.

TENTATIVE DEPARTMENTAL BUDGETS

Mr. Mears stated he had several department budgets to go over with the Board, but noted that these budgets were built before the \$2 million shortfall in revenues was anticipated. Therefore, they will likely have to readdress these budgets.

Juvenile Probation: Juvenile Probation Officer, Steve Zimmerman, reviewed the budget for Juvenile Probation. Most of their activities are grant funded, so a status quo budget was proposed, although Mr. Zimmerman pointed out a couple of line items that could be reduced.

Senior Centers: Senior Center Site Directors, Millie Oram and Adell Panning, presented virtually a flat budget from the previous year. Grant amounts have not changed for several grant cycles, so those amounts remain static. Buildings and vehicles are in good shape, so capital expenses are not anticipated, although \$10,000.00 was proposed for contingency. Ms. Panning noted that Crescent Valley can eliminate the cell phone and can replace Dish Network with a standard antenna. The Directors felt they could trim an additional 15% from their services and supplies budgets, except for the raw food category.

Opera House, Sentinel Museum, & Economic Development: Andrea Rossman presented the proposed budget for her departments. She made cuts totaling \$13,750.00 in all areas except the Sentinel Museum which is operating at a minimum. Community events will no longer be budgeted under Economic Development, but will be placed in their own category and handled similarly to the Activities Program in Crescent Valley. There was discussion on facility fees and Ms. Rossman agreed to bring back information on what neighboring areas are charging for their facilities. The Board asked her to continue reviewing her budget for areas that can be trimmed further.

Ambulance & EMS: EMS Coordinator, Mike Sullivan, presented his proposed budget with approximately \$5,000.00 in reductions in services and supplies. The budget now reflects the Medical Director's stipend of \$4,800.00, so the reductions off-set this amount. Based on wages in the previous year, Mr. Sullivan requested that 12% of salaries be budgeted for overtime. Ambulance fees were discussed. This is another area where fees don't come close to covering costs. Eureka County has some of the lowest ambulance rates in the State and these will be considered as the County reviews all of its fees for services.

Assessor & Assessor Tech Fund: Mr. Mears explained that he plans on augmenting the Assessor's Technology Fund by \$50,000.00. In addition to technology purchases, this fund pays for the broadband contracts, Advanced Data System contracts, GIS enhancements, and pictometry. This fund has been depleted with a number of other expenses, so the augmentation will make it whole.

In the Assessor's budget, Mr. Mears reduced approximately \$1,500.00 from services and supplies. Department salaries will be substantially lower with reduction of one full-time position and replacement with a shared employee with the Recorder/Auditor's office.

BUDGET TRANSFERS & AUGMENTATION FOR FISCAL YEAR 2014-2015

Current Year Budget Transfers: Mr. Mears reviewed the scheduled augmentations, including \$2 million into the RTC Fund to replace monies used for the Robins Street Project; \$6,663,221.00 into the General Fund to cover expenses related to the Robins Street Project that extended into Fiscal Year 2014-2015; and \$730.00 into the Nuclear Waste-Yucca Mountain Fund to close out an inactive fund.

Commissioner Etchegaray motioned to adopt the Budget Augmentation Resolution for Fiscal Year 2014-2015 as outlined by the Budget Director; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Augmentations to the current budget can be made until June 30th and additional planned augmentations will include the Assessor's Tech Fund, Crescent Valley Activities Program, and Recorder/Auditor's office.

BUDGET AUGMENTATION RESOLUTION				
RESOLUTION FOR AUGMENTATION OF THE 2014-2015 BUDGET OF EUREKA COUNTY				
WHEREAS, the revenues of the EUREKA COUNTY GENERAL FUND, REGIONAL TRANSPORTATION FUND, and NUCLEAR WASTE-YUCCA MOUNTAIN FUND were budgeted to be \$11,662,285; \$1,521,500; and \$8,549;				
WHEREAS, said Eureka County General Fund sources are as follows:				
<u>Source of Revenue</u>	<u>Original Budget</u>	<u>Available YTD</u>	<u>Excess Revenues</u>	<u>Augment Amount</u>
Beginning Fund Balance	\$8,829,007	\$15,492,228		
Totals	\$8,829,007	\$15,492,228	\$6,663,221	\$6,663,221
WHEREAS, said Eureka County Regional Transportation Commission Fund sources are as follows:				
<u>Source of Revenue</u>	<u>Original Budget</u>	<u>Available YTD</u>	<u>Excess Revenues</u>	<u>Augment Amount</u>
Grant from General Fund	\$0	\$2,000,000		
Totals	\$0	\$2,000,000	\$2,000,000	\$2,000,000
WHEREAS, said Nuclear Waste-Yucca Mountain Fund sources are as follows:				
<u>Source of Revenue</u>	<u>Original Budget</u>	<u>Available YTD</u>	<u>Excess Revenues</u>	<u>Augment Amount</u>
Beginning Fund Balance	\$8,549	\$9,279		
Totals	\$8,549	\$9,279	\$730	\$730
WHEREAS, there is a need to apply these unanticipated proceeds in the Eureka County General Fund for support of the Robin's Street Project; Regional Transportation Commission Fund for the completion of the Robin's Street Improvement Project; and Nuclear Waste-Yucca Mountain Fund to close the fund; and				
NOW THEREFORE, IT IS HEREBY RESOLVED, that Eureka County shall augment the FY 2015 expenditure budget for Eureka County General Fund budget \$6,663,221; for Eureka Regional Transportation Commission Fund \$2,000,000; and for Nuclear Waste-Yucca Mountain Fund budget \$730.00; and				
THEREBY increasing appropriations from \$11,650,001 to \$18,313,222 in the Eureka County General Fund; \$1,521,500 to \$3,521,500 in the Eureka County Regional Transportation Fund; and \$8,549 to \$9,279 in the Nuclear Waste-Yucca Mountain Fund; and				
IT IS FURTHER RESOLVED, that the Budget Director shall forward the necessary documents to the Department of Taxation, State of Nevada.				
PASSED, ADOPTED, and APPROVED the 20 th day of February, 2015.				

AYES: Chairman Goicoechea
Vice Chairman Sharkozy
Commissioner Etchegaray
NAYS: None
By: /s/ Julian J. Goicoechea
Julian J. Goicoechea, Chairman of the Board

ATTEST: /s/ Beverly Conley
Beverly Conley, Clerk

SET DATE & TIME OF NEXT BUDGET MEETING

Meeting Set for March 4th: Commissioner Etchegaray motioned to set the next budget meeting for 2:00 p.m. on March 4, 2015; Commissioner Sharkozy seconded the motion; motion carried 3-0.

CORRESPONDENCE

Correspondence was received from: David Clark; District Attorney, Ted Beutel (2); Sheriff Keith Logan (2); Clerk & Treasurer, Beverly Conley (2); Budget Director, Michael Mears; Cultural, Tourism, & Economic Development Director, Andrea Rossman; Eureka County Economic Development Program; Health Insurance Committee (2); Medical Clinics Advisory Committee (2); Eureka Owl Club; Crescent Valley Activities Program; Crescent Valley Town Advisory Board; Nevada Assoc. of Counties (4); Lander County Commission; White Pine County Commission (2); White Pine County Community & Economic Development; Nevada Aging & Disability Services Div.; Nevada Dept. of Conservation & Natural Resources; State Historic Preservation Office; Nevada Div. of Water Resources (2); Nevada Pool PACT; Nevada Deferred Compensation Program; Nevada Supreme Court; Western Counties Alliance; US Senator, Harry Reid; US Dept. of the Interior-BLM; and US Economic Development Admin.

PUBLIC COMMENT

Chairman Goicoechea called for public comments; there were none.

ADJOURNMENT

Commissioner Sharkozy motioned to adjourn the meeting; Commissioner Etchegaray seconded the motion; the meeting was adjourned at 2:46 p.m.

Approved by vote of the Board this 12th day of March, 2015.

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

I, Jackie Berg, Executive Assistant to the Board of Eureka County Commissioners, attest that these are a true, correct, and duly approved minutes of the February 20, 2015, meeting of the Board of Eureka County Commissioners.

/s/ Jackie Berg
Jackie Berg, Executive Assistant

I, Beverly Conley, Clerk & Treasurer of Eureka County, acknowledge and accept the attached minutes as approved by the Board of Eureka County Commissioners and attested to by the Executive Assistant of the Board.

/s/ Beverly Conley
Beverly Conley, Clerk & Treasurer