

EUREKA COUNTY BOARD OF COMMISSIONERS
March 19, 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 March 19, 2015, for a budget meeting. 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 1:00 p.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 Public Works item was removed from the agenda. Commissioner Sharkozy stated he would recuse himself from the 2:10 p.m. agenda item regarding Adell Panning; he felt a conflict may exist since his daughter-in-law had applied for a County job through Ms. Panning. With the noted changes, Commissioner Sharkozy motioned to approve the agenda; Commissioner Etchegaray seconded the motion; motion carried 3-0.

PUBLIC COMMENT

Chairman Goicoechea opened the floor for public comments; there were none.

COUNTY ADVISORY BOARD TO MANAGE WILDLIFE

Request to Send Letter: Lester Porter, Chair, was in attendance representing the County Advisory Board to Manage Wildlife. Natural Resources Manager, Jake Tibbitts, provided a draft letter and explained the CAB's request that the Commissioners send this letter to the Nevada Board of Wildlife Commissioners and the Wildlife Damage Management Committee.

The letter provides input into Nevada Department of Wildlife's Draft Predation Management Plan. It specifically requests continued habitat and predation work in the Diamond Range and Roberts Mountains. It asks the Wildlife Commission to deny a petition and take no further action to ban coyote hunting contests in Nevada. If approved, the letter will immediately be emailed in time for the Wildlife Damage Management Committee meeting later in the day.

Commissioner Etchegaray motioned to send this letter to the Nevada Board of Wildlife Commissioners and Wildlife Damage Management Committee, as requested by the County Advisory Board to Manage Wildlife, which opposes a petition to ban coyote hunting contests and provides input into the 2016 Draft Predation Management Plan and a predator project on the Diamond Mountains. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

HEALTH INSURANCE COMMITTEE

Update on Premium Negotiations: Kim Todd, Chair of the Health Insurance Committee, and Toni Wright, Vice Chair, appeared before the Board to give an update on progress of negotiations on insurance plans and premiums for the upcoming fiscal year. They also provided employee enrollment numbers for the current plans.

The Committee met on March 16th to review preliminary rate estimates. No premium increases are anticipated for dental or vision, and dental premiums may decrease with a slight plan adjustment. Quotes were obtained from three carriers for health insurance and all came in with a roughly 28% increase in premiums. It was noted that 4% of the increase is attributable to extending the plan renewal to 18 months (July 1, 2015, through December 31, 2016), in order to move plans from a fiscal year to a calendar year. An emergency room rider was discussed at the last budget meeting. This would require a co-pay when the emergency room is used for a non-emergency diagnosis. Inclusion of an emergency room rider on the plans would drop the increase by nearly 10%, to an overall premium increase of 19.7%, if Eureka County remains with the same carrier and the same plans.

Current plans offer deductibles of \$1,000.00, \$1,500.00, and \$3,000.00. The Committee requested quotes for plans containing a one-step increase in deductibles to \$1,500.00, \$2,000.00, and \$4,000.00. Quotes will be forthcoming at the Committee's March 24th meeting. The Commissioners agreed to take a look at quotes for higher deductible plans, but stated they were hesitant to implement something that equates to a pay cut for employees when cost of living allowance and merit increases have been frozen for the upcoming fiscal year.

Information to Employees: The March 20th paychecks will include information on urgent care facilities covered by County insurance and encouraging employees to use these services in lieu of emergency rooms for non-emergency visits.

FISCAL YEAR 15-16 TENTATIVE BUDGET – DEPARTMENTAL BUDGETS

Diamond Valley Rodent Control District: Budget Director, Michael Mears, began review of proposed budgets for various departments. There was a brief discussion whether to decrease the previously proposed budget for the **Rodent Control District**. Commissioner Etchegaray has made contact with their Board informing them of the need to have a meeting and begin some rodent control activities. The Commissioners ultimately decided to leave the budget at \$30,000.00.

County Commissioners: The **County Commission** budget was reviewed and the Board reduced the following areas: contract services were reduced by 28.5% to \$50,000.00; water legal services were reduced 37.5% to \$50,000.00; and miscellaneous grants were reduced by 33% to \$50,000.00. The Board discussed expenses covered by these categories. Contract services cover the hydrogeologist contract and funding agreements with the US Geological Survey. The bulk of Commission grants have been eliminated over the past few years. The primary grant now is to the Eureka Conservation District. Last year's grant enabled the Conservation District to fund the scoping phase of the Diamond Valley Groundwater Management Plan and enabled involvement in pinyon-juniper thinning and biochar projects. The Board indicated they would consider a grant to the Conservation District for the upcoming fiscal year at a 25% reduction of the previous year's grant.

Recorder & Auditor: Mr. Mears presented the proposed budget for Recorder & Auditor, Sara Simmons. He began with the **Recorder Tech Fund** which generates dedicated revenue to purchase or upgrade technology. A quote of \$36,000.00 was obtained from High Desert Microimaging to complete a scanning project for archiving and making public records available on the website. \$16,000.00 will be budgeted from the Recorder's Tech Fund, with the balance of \$20,000.00 funded by the Assessor's Tech Fund.

Mr. Mears reviewed the **Recorder/Auditor** budget. The overall services and supplies budget was slightly increased, but this was mainly attributable to Human Resources expenses. Mr. Mears explained that in the current fiscal year, this budget has absorbed Human Resources costs that were not previously accounted for, such as personnel support and travel/training. Legal advertising was increased to cover publications and advertisements required by statute. Microfilm/record management was decreased by 25%, mining claim map expense was decreased by 17%, and office supplies were decreased by 33% to help offset the necessary increases.

Crescent Valley Town Advisory Board: The **Crescent Valley Town Advisory Board** submitted a proposed budget with an overall reduction of 38%. In addition to this budget, there were two capital outlay requests: to install a canopy, concrete pad, and four picnic tables at the Crescent Valley Rodeo Grounds; and completion of improvements to the north end of the Crescent Valley Town Park.

The Board appreciated the reductions to the overall budget, but noted that no new capital outlay items are being budgeted for the upcoming fiscal year. The only capital outlay allocations are for contingencies, basically for equipment replacement due to unforeseen breakdowns.

Agricultural Extension: Mr. Mears is in contact with a representative of University of Nevada Cooperative Extension, who is working on the **Agricultural Extension** budget and should have it submitted shortly.

ELKO-LANDER-EUREKA COUNTY LIBRARY SYSTEM

Update on Library Contract: Jeanette Hammons, Director, and Kassie Antonucci, Assistant Director, were in attendance to answer some questions related to the proposed library contract. After the proposed contract was recently received by Eureka County with an \$8,204.00 increase, a letter was sent requesting a 20% reduction and asking several questions regarding the proposed library budget.

Ms. Hammons responded to the questions regarding proposed fees and other items. The \$27,865.00 contract library fee is a percentage of the salaries of the Elko staff for the portion of work attributable to Eureka County. The \$5,005.00 fee for the Integrated Library System and network access represents the cost for online resources, protective software, and the County's portion of the fee charged by CLAN (Cooperative Libraries Automated Network) for the server and network housed in Carson City. Ms. Hammons confirmed that postage costs are included in services and supplies and that Eureka County pays their own telephone and fax charges.

Ms. Hammons added that a special Library Board meeting will be called to consider the County's request to reduce the library contract by 20% for the upcoming fiscal year. Following that meeting, they hope to present two proposals to Eureka County.

Librarian for the Eureka Branch, Robin Evans, provided comments related to services provided and patrons served by the local branch. She conducted an informal survey on March 18th to show a 'snapshot' of a typical day at the Eureka Library. Of the 15 patrons who visited the library that day: 10 checked out materials, four worked on employment opportunities, one sold items on eBay, six researched health/wellness, four accessed government or legal websites, four were involved in community engagement, five managed finances, and nine accessed social media.

EVALUATION OF SENIORS PROGRAM SITE DIRECTOR

Evaluation of Adell Panning: Commissioner Sharkozy was excused for reasons stated earlier in the meeting. Chairman Goicoechea noted that at this time the remaining Commissioners would proceed with the agenda item that stated, "...*evaluation of Adell Panning, Seniors Program Site Director, an at-will position with Eureka County, to consider Adell Panning's character, competence, any alleged misconduct, and professional competence, physical or mental health, and take possible action including, but not limited to, retention, engagement, endorsement, promotion, reprimand, reduction in pay, demotion, suspension, termination, or no action.*"

Chairman Goicoechea explained that Human Resources services for Eureka County are conducted by Nevada POOL/PACT Human Resources specialists contracted by Eureka County. The Chairman received a report from Jeanne Greene, of POOL/PACT, concerning Adell Panning in regards to one issue in particular, a ServSafe certificate. During an interview conducted by Ms. Greene, Ms. Panning admitted that she had copied and provided the certificate to the Ranch House, a restaurant/bar in Crescent Valley.

On that basis, Chairman Goicoechea and Ms. Greene visited Ms. Panning on March 9th. At that time Ms. Panning confirmed she had provided the Ranch House with a copy of her ServSafe certificate. The Chairman then placed Ms. Panning on administrative leave with pay pending review by her supervisors, the Board of County Commissioners.

Chairman Goicoechea invited Ms. Panning to speak. Ms. Panning began by thanking the District Attorney for preparing the outline. The Chairman explained an outline of the proceedings with possible questions had been provided to the Board and Ms. Panning, and noted there may be additional questions. Ms. Panning continued that she had been able to go through the questions and offered to present her answers.

Ms. Panning first gave a brief background on ServSafe, a national food and beverage safety training and certification program. Her certificate is under the 5th Edition and is good for five years. She previously provided a photo of her current certification, which is framed, but now offered her original expired 2011 certificate to show that it does not say Eureka County anywhere on the certificate. Ms. Panning then proceeded to answer the questions provided in the outline.

When did Adell first make a copy of her ServSafe certificate for someone else to use? Ms. Panning said she originally told Ms. Greene, at their meeting in Carson City, that she placed the certificate in the Ranch House around January 2014. Upon returning to Crescent Valley, she stated she referenced her calendar which showed the certificate was placed there on March 17, 2014. She explained she was keeping a calendar at that time because her schedule was busy. Ms. Panning stated she didn't give the certificate to somebody else to use.

Who did she tell about this copying and sharing - any of her supervisors? Any person from the State? Ms. Panning stated she knew the County had paid for her training, so before making the decision to help Judy Costa, she consulted the Eureka County Personnel Policy to make sure it would not conflict with her position at the Senior Center. Specifically, she reviewed Section 1.B.100 - LICENSES, OCCUPATIONAL CERTIFICATION, and Section 1.B.200 - EMPLOYEE RESPONSIBILITIES. She did not tell her supervisors or anyone in the State because this is a nationally issued certificate. As the name holder on the certificate, she felt she bore all responsibility and all liability associated with the certificate.

In December 2013, Judy Costa received notification by mail of a law change requiring that a ServSafe certificate be in place by January 1, 2015, to continue serving food. Since Ms. Costa had failed the ServSafe test twice, she was "frantic" about what to do. Ms. Panning placed the certificate at the Ranch House, but informed Ms. Costa that this was a temporary fix until Ms. Costa could figure out what to do. Ms. Panning added that NAC 466 requires that all restaurants have a person certified in ServSafe.

Why did Adell make a copy of her ServSafe certificate for another food establishment? Ms. Panning stated that due to Ms. Costa's situation, she simply wanted to help somebody and that's why she made a copy of her certificate.

Why did Adell provide the copy to the specific restaurant in Crescent Valley? Ms. Panning stated the Ranch House is the only restaurant in Crescent Valley. In placing her certificate, her concern was to maintain a clean, safe, food environment for the people in Crescent Valley. She has been at the Senior Center in Crescent Valley since it opened its doors in May 1995, and in all those years only received one health inspection that was lower than 100%.

How did Adell think people in Crescent Valley would view the certificate, with her name on it, in a private food establishment, when she works full time for the County in the same small town? Ms. Panning responded that the community has faith in her, but she can't speak to what other people's opinions may be. She did receive positive feedback once her certificate was placed at the Ranch House and she began making positive improvements that were noticed by the patrons.

Isn't it safe to assume by posting the certificate, members of the public who went to the restaurant would assume Adell was providing supervision in food preparation? Ms. Panning

answered that the ServSafe certificate assures the public that the staff has been trained in safe food handling.

Is a holder of a certificate required to be on site when food is being prepared? What happens when there is only one certificate holder for a restaurant? Ms. Panning provided a copy of NAC 469, noting that it provides that the certificate holder can designate a person in charge and she designed Ms. Costa while continuing to monitor and train. During this time, the Ranch House had a State inspection and received a score in the high 90s. The State had no problem with the ServSafe certificate and had inspected the Senior Center that same day.

What oversight or supervision did Adell provide to the restaurant in Crescent Valley? Ms. Panning relayed that before placing the ServSafe certificate at the Ranch House, she conducted a four-hour comprehensive food safety class and subsequent test on March 16, 2014, for Ms. Costa and staff. Food safety checks and practices, along with logs and check-off sheets, were implemented, and regular walk-throughs were conducted by Ms. Panning. She noted that this work was done on weekends and after regular working hours at the Senior Center.

Why would people not think Adell was overseeing food preparation at the restaurant? Ms. Panning stated she was overseeing the process and it was no secret in Crescent Valley that she was helping out.

How does providing a copy of the certificate to a restaurant without actually doing the job represented by the certificate mislead the public, or reflect on Adell's character? Ms. Panning stated that she did not mislead the public and followed through on her certification and responsibility. She would have explained that to any member of the public who asked.

Why does Adell think a ServSafe certificate is like a CDL? Ms. Panning agreed that she compared the ServSafe certificate to a CDL and asserted that the certification or license belongs to the name holder, even if paid for by the County. She provided samples of how licensing for a CDL or EMT can be used off the job.

If a CDL that an employer paid for was used in an inappropriate manner outside of work, would the employee be subject to discipline? Ms. Panning reiterated that she did not give her certificate to another party, but took her expertise to another establishment. Feeling it was her certificate, she didn't believe this was an inappropriate use.

Continued discussion: Follow-up questions were asked by the District Attorney. He asked Ms. Panning, since she has the ability to train people, why she hadn't just helped Ms. Costa with the test. Ms. Panning responded that she had helped Ms. Costa prepare the second time she took the test. She had hoped that during this temporary timeframe, Ms. Costa would employ someone who would become certified.

Mr. Beutel informed Ms. Panning that the NAC she referenced (Section 469) had been repealed and replaced on December 18, 2013. The regulation now reads that the permit holder is the person who is legally responsible for the operation of the food establishment. He reiterated that the permit holder must be the person legally responsible, not the person in charge, although they still have the ability to identify a person to be in charge. Ms. Panning stated she was not aware of this change.

Mr. Beutel noted other pertinent sections in the same regulations. Section 164 states, "Food must be offered for human consumption in a way that does not mislead or misinform the consumer." Section 387 reads, "Any person desiring to operate a food establishment must make written application for a permit." Section 5 of that subsection says, "A permit issued pursuant to this section is not transferrable from one person to another person or from one location to another location."

The Commissioners pointed out the following facts: It states right on the ServSafe certificate that it cannot be reproduced. Ms. Panning did not consult any of her supervisors to ask if there might be a conflict or to see if this might be an inappropriate use of her certificate.

Chairman Goicoechea noted that public comment may be heard on action items. A letter was received from Judge Susan Fye speaking favorably of Ms. Panning's character. The Chairman added that, if there was no objection from Ms. Panning, he would allow public comment on this matter, and she agreed that it would be fine.

Sheriff Keith Logan said as far as helping the community and being willing to assist people, Adell is above all else.

Sondra Sharkozy stated she has known Adell for quite a few years; Adell has been there for every senior citizen in Crescent Valley; and she hates to see one mark destroy all the good.

Norm Panning clarified that Adell's time at the Ranch House was after regular working hours and on weekends, so she kept her time separate. The Ranch House does not begin serving food until the evening hours. He also noted that this was not done for personal gain and no compensation was involved.

Angie Black commented that if a ServSafe certificate belongs to the individual, she should have been given her certificate when she resigned her position with the County. Ms. Panning confirmed that an original certificate can be obtained online.

Barbara Dugan felt Adell was just doing the best she could to try to help the community and thought this should be appreciated. With increasing activity at the mine, the Ranch House is a vital service to the area.

Leeann Collazo appreciated what Adell was trying to do for the community and felt noticeable improvements were made at the Ranch House.

Juanita Crum stated Adell does everything she can for the community, adding that she will always stand behind her.

Forrest Anderson stated he has lived in Crescent Valley for about ten years. He admitted Adell has done quite a bit for the community but noted there have been a few other problems that he felt the County Commissioners had not addressed adequately.

Mary Garcia stated she had filed a complaint against Adell and some of her staff a few years earlier.

Chairman Goicoechea interrupted and asked that all comments be relevant to the ServSafe certificate under review today. If another matter needs to be addressed it should be brought to the attention of the District Attorney, one of the Commissioners, or placed on the Board's agenda.

Phil Schmitz commented that he has known Adell personally and worked with her for years on the Crescent Valley Volunteer Fire Department and EMS, as well as on many fundraisers and causes. All through the years Adell has demonstrated a lifelong attitude of helping other people.

Following all comments, Chairman Goicoechea addressed Ms. Panning. He stated it was a significant problem that the regulations regarding the ServSafe certificate were not followed. Although her name is on the certificate, it is there related to her responsibility for the County facility that she is in charge of. By her allowing that certificate to be used in an alternate location, the County has been exposed to great liability risk. She should have approached her supervisors, who would have in turn consulted legal counsel, regarding this matter.

Commissioner Etchegaray agreed that the County had been placed in jeopardy due to Ms. Panning's actions.

Chairman Goicoechea continued that the Commissioners are elected to look out for the best interest of the County and to protect it from this type of exposure. He recognized that Ms. Panning has been a volunteer and has done a lot for her community, which is appreciated by himself and the other Commissioners.

Ms. Panning interjected to ask why, if the certificate being at the Ranch House was such a liability, the County hadn't notified her earlier to remove it.

Mr. Beutel responded that the Commissioners weren't aware of the circumstances until recently. Once they became aware, rather than jumping to conclusions, the proper steps had to be taken.

Chairman Goicoechea felt that the Board had been put in a terrible situation and the ultimate decision must be based on protecting the County from this type of exposure; therefore, he motioned that Adell Panning's employment with Eureka County be terminated. Commissioner Etchegaray agreed and seconded the motion, with the stipulation that she remain on paid administrative leave until March 23rd to allow for availability of payroll staff to complete the final paperwork.

Before the final vote was taken, Ms. Panning commented that she moved to Crescent Valley in 1992 and started volunteering for the Seniors Program; she opened the doors of the Senior Center in 1995; she has 19.5 years towards being vested with PERS and she thanked the Commissioners for taking that away from her today. To all of the people who commented on her behalf, she thanked them for the support and she also recognized Millie Oram who had everything in Crescent Valley "dumped" on her ten days ago.

The Chairman called for the vote and both Commissioners voted in favor of the motion to terminate Ms. Panning's employment with Eureka County.

FISCAL YEAR 15-16 TENTATIVE BUDGET – DEPARTMENTAL BUDGETS (continued)

Eureka County Television District: Budget Director, Michael Mears, noted that Department Assistant, Anne Kniefel, took the recommendations regarding the **Television District** budget back to the Television District Board and they accepted the changes. The major change was to remove the capital outlay contingency from each transmitter site and to put a reduced capital outlay of \$15,000.00 in department operations as a contingency for all sites. This significantly reduced the overall budget.

Ms. Kniefel informed the board that a proposal of \$34,000.00 for an annual maintenance contract for the transmitter sites was received from Eagle Communications of Elko.

Public Works Budgets: Public Works Director, Ron Damele, presented all budgets under Public Works. He noted that personnel and capital outlay would be discussed in more detail later in the meeting. Mr. Damele reminded the Board that the County has a great investment in the various facilities, buildings, parks, etc., and many of these budgets simply reflect what it takes to maintain these facilities. He noted there are many fixed, often regulated, costs as well, such as annual inspections for fire alarms, fire extinguishers, cooking stove hoods, lifts in the shop, cranes, the bucket truck, water systems, sewer system, sprinkler systems, etc.; and there are monthly elevator inspections.

Swimming Pool: Mr. Damele began with the **Swimming Pool**. The proposed operations budget was \$14,400.00, roughly a 20% reduction over the previous year.

Public Parks - Eureka: The **Public Parks** budget covers the parks in Eureka as well as the County Fairgrounds. Departmental budget request was \$36,000.00, a 20% reduction from the previous year.

Public Works: The proposed departmental operations budget for **Public Works** was \$101,600.00, a 20% reduction. This budget covers annual tower and radio repeater maintenance for nine repeaters (three each on three different mountaintops) at a cost of approximately \$20,000.00.

Eureka Landfill: The proposed **Eureka Landfill** budget was reduced by 25% to \$161,700.00. Mr. Damele explained that the largest expense in this budget is the subsidized franchise for garbage pickup in the Crescent Valley area. He plans on working with the Budget Director to more appropriately assign this cost. The County tax rate includes an allocation for the landfill, so all taxpayers are paying for a benefit that is only being realized by a portion of the County. The Landfill Fund balance will eventually support closure and post-closure costs related to the Eureka Landfill.

Yucca Mountain: Mr. Damele explained that **Yucca Mountain** expenses are covered by a direct grant from the federal government. This grant hasn't been received for a few years, but due to conservative management of this fund, there is a healthy fund balance. This budget covers Yucca Mountain related contracts and Mr. Damele proposed leaving it at \$150,000.00.

Eureka Airport: The largest expense related to the **Eureka Airport** is the Fixed Base Operator contract. This budget also pays for the AWOS (Automated Weather Reporting System) contract. This budget is already at a minimum, so \$69,750.00 was proposed, a 4% reduction.

Devil's Gate Water: A 20% reduced budget of \$42,450.00 was proposed for the **Devil's Gate Water** budget. Mr. Damele explained that each of the water budgets for the upcoming year include allocations for fuel and repair and maintenance for the water operator's pickups. These amounts were previously included in the Road Department budget.

Eureka Streets & Grounds: The proposed allocation for **Eureka Streets & Grounds** was \$41,200.00, a 25% reduction. Previously the Road Department has funded much of the work in the Townsite of Eureka, but in an effort to have the individual budgets more accurately reflect the work being done, these items will now be expensed from this budget.

Eureka Street Lighting: The proposed allocation for **Eureka Street Lighting** was \$29,500.00, a 25% reduction.

Eureka Cemeteries: Mr. Damele proposed a flat budget of \$4,500.00 for **Eureka Cemeteries**. This will basically cover 4.5 days of Honor Camp crews.

Eureka Town Fire: Proposed budget for **Eureka Town Fire** was \$22,100.00, a 20% reduction.

Eureka Water: The water systems are expensive to maintain. Electricity is a large part of this budget and that cannot be reduced, so proposed allocation for **Eureka Water** is \$120,600.00, a 10% reduction over the previous year. Mr. Damele felt the County should budget \$250,000.00 in reserve funds for both the Eureka and Crescent Valley Water Systems, to allow for an augmentation in the event of a catastrophic well failure. Additionally, he recommended budgeting \$3,000.00 for each water system (Eureka, Crescent Valley, and Devil's Gate) to cover water legal fees, to better track actual costs.

Eureka Sewer: Proposed budget for **Eureka Sewer** was \$35,500.00, a 20% reduction over the previous fiscal year.

Road Department: Proposed departmental budget for the **Road Department** was \$682,750.00, a 14% reduction over the previous year, and Mr. Damele stated he would not be comfortable going any lower than that, particularly due to the cost of fuel. This budget operates two large road shops, one in Eureka and one in Crescent Valley.

Buildings & Grounds: Rather than including a contingency amount for each building, Mr. Damele proposed funding catastrophic failures with an augmentation from the Building Reserve Fund, which is how this budget was handled the previous year. Proposed operations budget for **Buildings & Grounds** was \$760,000.00, a minimal increase over the previous year, accounted for by addition of fuel and maintenance for pickups.

Eureka Fire District / Emergency Management: The **Fire District / Emergency Management** budget was increased by about 20% to \$300,000.00. The annual payment to NDF for the Wildland Fire Protection Program is paid from this budget and last year was the first full year the County was responsible for maintenance of all fire vehicles, with transfer of all-risk from NDF. Mr. Damele proposed paying Volunteer Fire Departments for all-risk runs, and \$10,000.00 was added to the budget for this. NDF currently pays \$20.00 per hour, with a \$40.00 minimum, per apparatus for wildland fires. The two town Chiefs currently receive a monthly stipend. With the move away from NDF, each VFD has taken on more responsibilities, so Mr. Damele proposed paying each rural chief a \$200.00 monthly stipend. Another \$10,000.00 was budgeted to cover this.

Crescent Valley Street Maintenance: Proposed budget for **Crescent Valley Street Maintenance** was \$18,400.00, a 20% reduction. Similar to other budgets, a portion of costs for

vehicle fuel and maintenance are being moved out of the Road Department and into these budgets to more accurately reflect where these items are expended.

Crescent Valley Water: \$79,850.00 was requested for the **Crescent Valley Water** budget. This is a minimal reduction, but based on electrical usage and other costs, Mr. Damele felt this was the lowest this budget could go. Arsenic removal media was just replaced in the Crescent Valley arsenic treatment plant, after 4.5 years, at an approximate cost of \$50,000.00.

Crescent Valley Parks: A 20% reduced budget of \$21,400.00 was proposed for **Crescent Valley Parks**. Mr. Damele explained this budget will not support this reduction if adjustments aren't made at the Crescent Valley Town Park. In 2013 the park used 7.8 million gallons of water; in 2014 the park used 6.7 million gallons of water. This also increases costs to the water budget, since all water used at the park has been treated through the arsenic treatment plant. Everyone agreed that conversations need to take place with the town regarding water conservation and alternatives for the park.

Crescent Valley Fire Department: A 20% reduced budget of \$23,680.00 was proposed for the **Crescent Valley Fire Department**. Mr. Damele commended Chief Rick Harding for his management and organization of this VFD, which has become very active and is collaborating with Beowawe VFD. They are doing a good job of utilizing existing items, thus reducing purchasing needs.

Public Works - All Personnel: Mr. Damele noted that three people retired out of Public Works last year and were not replaced due to the attrition policy, at a savings of \$318,000.00. He has been advised that a supervisor in the Road Department will retire at the end of August, at roughly another \$100,000.00 in savings. Mr. Damele plans on promoting the two mechanics, leaving one net vacancy. He proposes a trial at this level of staffing for one year, but noted that these employees maintain 216 pieces of equipment and he wasn't sure if this would be possible. Mr. Damele may propose a hybrid position that would be both mechanic and operator. Mr. Damele added that staffing levels for the Road Department, both mechanics and operators, are at the levels they were in 1993.

The Swimming Pool is operated with one FTE (full-time equivalent) and between 10 to 14 casuals. A total of 7,140 casual hours are budgeted, but those are not all used. A couple of years ago, staffing at the pool was dramatically reduced. The pool is open five days a week, 11 hours per day. The main expense at the pool is propane and electricity, not personnel. Short-term closures have been looked at, but real savings will only be realized with complete closure, and the County doesn't yet see this as necessary. Notable savings are being realized due to conversion from a diesel boiler to an electric boiler this last year.

Mr. Damele reviewed remaining casual hours. The Road Department has 1,039; Crescent Valley Parks has 1,000; Eureka Parks has 1,200; and Buildings & Grounds has 1,039.

Mr. Damele proposed budgeting 12% for overtime for the Road Department, Eureka Water System, and Crescent Valley Water System. Most other departments can be budgeted at 6% for overtime.

Public Works - Capital Outlay: Mr. Damele stated the Commissioners need to decide whether to move forward with a pavement maintenance project at the **Eureka Airport**. This \$428,000.00 project will primarily be funded with FAA grant monies, requiring a County match of \$22,000.00. The FAA grant is received annually, so the other option is to allow this to rollover another year. The Commissioners discussed the possibility of including this project in the budget with the option of removing it later if they decide not to go forward.

Specifications have been developed for a **test well in Steven's Basin** and a **test well in Kobeh Valley**. Mr. Damele does not propose proceeding with a well in Kobeh Valley at this time, as there are issues that may take longer to resolve. A test well in Steven's Basin is estimated to cost \$120,000.00, with a total cost of \$220,000.00 to advance this to a full production well if water quality tests are satisfactory. This would be followed by permits and installation of a water line to deliver water to the Eureka Town Water System. The Commissioners agreed to include this on the Capital Outlay Plan, with the option of considering moving forward in the upcoming fiscal year only if revenues exceed projections.

An internal inspection was recently conducted on all **water tanks** and all are in good condition, with the exception of one tank in Crescent Valley. Interior paint is delaminating and Mr. Damele felt this should take top priority. The tank will have to be drained, sandblasted, and recoated. This should be done next winter, during off-peak water usage. Estimated cost is \$100,000.00.

Day Engineering was engaged to provide estimates on **extending and looping the Devil's Gate Water System**. Several estimates were compiled. The first proposes 8-inch piping that will not meet fire flow; the second proposes 12-inch piping that will meet fire flow. These estimates were further broken down as follows: 8-inch HDPE = \$735,000.00; 8-inch PVC = \$759,000.00; 12-inch HDPE = \$798,000.00; and 12-inch PVC = \$828,000.00.

Mr. Damele doesn't believe it makes sense to install or expand water systems in the County that do not meet fire flow requirements. The Commissioners supported extending the system, but not in the upcoming budget year.

The **Courthouse HVAC** upgrade was considered for the current fiscal year, but was under budgeted. The complete upgrade has been estimated at just under \$1.3 million. This is broken down into various components of mechanical control replacement, piping upgrade, partial or full air conditioning unit replacement, boiler replacement, etc. The Commissioners agreed that this project was needed, but could not be considered for the upcoming fiscal year.

Road Superintendent, Raymond Hodson, joined the conversation related to **County road maintenance**. Mr. Damele reviewed the different costs. CTB (cement treated base), where existing asphalt is ground and mixed with a concrete base followed by asphalt overlays, is \$500,000.00 a mile; a chip seal is \$40,000.00 per mile; and micropave, which is similar to slurry seal but can be stacked, is \$30,000.00 per mile. Micropave and chip seal also involve costs to crack-fill prior to these treatments. Grinding a road and reverting it to gravel costs 40 cents per square foot.

Decisions will have to be made on level of road maintenance going forward and roads will have to be prioritized. There are several Diamond Valley roads in very rough shape, many of which are integral to the area. Those mentioned were 9th Street, 11th Street, 12th Street, 14th Street, County Road 101, and Eagle Street.

In recent winters, the Road Department has dedicated a week, rented equipment, and completed crack-filling themselves, rather than using a contractor. The plan is to stretch this into two weeks and allocate the time between Eureka and Crescent Valley.

The Commissioners agreed to budget for continued in-house maintenance, but also considered including an amount to allow additional work should revenues prove better than anticipated. Budget Director Mears advised that if a number is budgeted, it provides flexibility. This would allow the County to move forward with a project if the opportunity arises, or would allow a project to be completed through augmentation from the reserve fund, if needed.

Mr. Damele and Mr. Hodson agreed to provide more refined budget numbers at the March 20th meeting the following day, both for in-house maintenance costs and a placeholder number, as discussed.

Miscellaneous: The Budget Director briefly outlined what will be discussed during the budget session at the March 20th meeting. Chairman Goicoechea noted for the record that inherent with the Budget Director duties is an annual stipend of \$15,000.00, which was paid to the previous Budget Director as well.

NEXT BUDGET MEETING

Date & Time of Next Budget Meeting: The Commissioners agreed to schedule the next budget meeting at 9:00 a.m. on April 1st.

PUBLIC COMMENT

Chairman Goicoechea opened the floor for public comments; there were none.

ADJOURNMENT

Commissioner Sharkozy motioned to adjourn the meeting; Commissioner Etchegaray seconded the motion; the meeting was adjourned at 5:06 p.m.

Approved by vote of the Board this 13th day of April, 2015.

/s/ J.J. Goicoechea

J.J. Goicoechea, Chairman

I, Jackie Berg, Commissioner Clerk, attest that these are a true, correct, and duly approved minutes of the March 19, 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 Commissioner Clerk.

/s/ Beverly Conley

Beverly Conley, Clerk & Treasurer