

EUREKA COUNTY BOARD OF COMMISSIONERS

March 21, 2016

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 21, 2016. Present were Chairman J.J. Goicoechea; Vice Chairman Michael Sharkozy; Commissioner Fred Etchegaray; and Commissioner Clerk, Jackie Berg. District Attorney, Ted Beutel, was out of State for training and unavailable for the meeting. 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 agenda as written; Commissioner Etchegaray seconded the motion; motion carried 3-0.

PUBLIC COMMENT

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

APPROVAL OF MINUTES

March 7, 2016: Commissioner Sharkozy motioned to approve minutes of the March 7, 2016, Commission meeting; Commissioner Etchegaray seconded the motion; motion carried 3-0.

COUNTY COMPTROLLER

Payment of Expenditures: Expenditures were presented for approval by Payroll Specialist, Kim Todd. A question was raised regarding payments to Lander County and it was clarified that they were tax payments for infrastructure located in Lander County for the Crescent Valley municipal water system.

Commissioner Etchegaray motioned to approve expenditures in the amount of \$217,620.72 for accounts payable, \$259,725.59 for payroll, \$16,932.17 for a pass-through tax allocation to the School District, and \$333.85 for Yucca Mountain expenses, for a grand total of \$494,612.33. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

Fund Balances Report: The Board reviewed the report from the Comptroller’s office showing current fund balances.

COMMISSIONERS

Update Reports: Commissioner Sharkozy attended a Crescent Valley Volunteer Fire Department meeting on March 15th. Commissioner Etchegaray attended the Central Nevada Regional Water Authority meeting in Eureka on March 18th.

Chairman Goicoechea attended Wildland Firefighting Red Card refresher training in Eureka on March 15th; met with Ty and Ari Erickson, proponents of the Prospect Mountain Mine on March 15th; met with the Public Works Director and the Road Superintendent on March 17th; attended the Medical Clinics Advisory Committee meeting on March 17th; met with representatives from the Battle Mountain District BLM in Eureka on March 17th regarding several issues; met with Opera House staff the afternoon of March 17th; and, representing the Sagebrush Ecosystem Council, participated in a conference call regarding sage grouse issues on March 20th with the Nevada State Grazing Boards Central Committee and the Nevada Cattlemen’s Association.

Ballot Question Committees: Assembly Bill 191 (2015 Legislative Session) proposes changes to provisions governing taxes on fuels for motor vehicles and a question will be placed on the 2016 ballot related to the proposed revisions. Committees must be appointed to prepare arguments advocating and opposing approval of AB191. Pursuant to NRS 295.121(5), County Clerk, Beverly Conley, provided her recommendations for the committees.

Commissioner Etchegaray motioned to appoint two three-member committees to prepare arguments for the 2016 ballot question related to AB191, with the committee preparing advocating arguments to be made up of Michael Mears, Bill Hicks, and Bruce Harland; and the committee preparing opposing arguments to be made up of Ron Damele, Jayme Halpin, and Jim Ithurralde. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

Sagebrush Ecosystem Program & Nevada Greater Sage-Grouse Conservation Plan: The next meeting of the Sagebrush Ecosystem Council is April 7th. Several projects to test the Conservation Credit System were selected to receive grant funding. More information was provided during the Natural Resources portion of this meeting.

AMBULANCE & EMS

Activity Report: EMS Coordinator, Mike Sullivan, reported on activities since his last report on February 22nd. Eureka had 10 calls for service (31 year-to-date) and Crescent Valley had three calls for service (17 year-to-date).

Continuing education training is scheduled in Eureka on March 28th and in Crescent Valley on March 31st. Staff has been training on TripTix CDX, the State's new electronic patient care recordkeeping program. EMS participated with the school on some recent safety drills.

Medicare payments are being received again by the ambulance service as the Comptroller's office continues working to clear up the erroneous listing of Eureka County as a 'federal debtor'. All paperwork for EMT recertifications has been submitted, but due to understaffing on the State level, there will be a delay in processing. To mitigate this, a letter will be issued extending all EMT certifications for two weeks.

Mr. Sullivan explained that as a result of Senate Bill 459, Narcan (an opioid antagonist) is now available by prescription and can be issued in instances of overdose on certain prescription or street drugs. The prescription can be obtained by the individuals using the drugs or by concerned family members. EMS and Sheriff's Office staff will be trained on proper use of Narcan.

US ENVIRONMENTAL PROTECTION AGENCY

Conceptual Plan for Proposed Repository: EPA representatives, Tom Dunkelman, Bret Moxley, and Sara Cafasso joined the meeting by telephone. Conceptual plans/drawings for the proposed repository were forwarded to the Board for review. The proposed location for the repository is along the south side of Ruby Hill Avenue (APN 001-141-01) in Eureka. The repository will be used for long-term storage of soils contaminated with lead and arsenic that have been, and will be, excavated primarily from residential properties within the Townsite of Eureka.

Mr. Dunkelman provided an update on the EE/CA (Engineering Evaluation & Cost Analysis) for the Town of Eureka, which serves as a long-term plan and cost estimate for continued cleanup. The Final EE/CA has been approved and copies will be distributed within the week. Copies will be available at the Eureka Library, the Public Works office, and the EPA website.

The EPA will return to Eureka this spring and summer, beginning in early May, to continue field work and to, hopefully, begin construction of the repository. There are currently 40 additional residential properties they will remediate as funding allows. They would also like to address the hillside behind the senior housing. They expect \$3 to \$4 million in funding for this

coming season. The EPA will be available to conduct testing on additional properties and can simply be contacted by the property owners.

Mr. Moxley addressed the repository plans that were forwarded to the Board, which he referenced as 10% design drawings. He stated there were two main objectives: one, to minimize the footprint; and two, to reduce visibility. Mr. Moxley described the location, appearance, access, fencing, geotechnical aspects, and safety measures that will be incorporated. In addition to being used as a repository, the site will have a stockpile of clean material to be used for future cleanup conducted by either the EPA or individual property owners.

Commissioner Etchegaray reiterated what has been said before by the Commission: they encourage the EPA and its contractors to utilize local laborers and equipment operators whenever possible. Mr. Dunkelman responded that they will honor the request when possible and have passed the information on to their contractor.

Commissioner Etchegaray motioned to accept the conceptual plans as presented by the EPA for the repository to be located along the south side of Ruby Hill Avenue (APN 001-141-01) within the Town of Eureka; Commissioner Sharkozy seconded the motion; motion carried 3-0.

BUDGET PREPARATIONS

Fiscal Year 2016-2017 Revenue Projections: Ross Eardley, of McMullen McPhee & Company, joined the meeting by telephone. Mr. Eardley reviewed revenue projections for the upcoming year, which he also forwarded by email. Mr. Eardley calculated \$8.2 million in ad valorem tax (property tax), \$5.1 million for consolidated tax (CTAX), and \$3.5 million in other revenues for a total estimate of \$16.8 million. This is \$1.5 million over what the County is on track to receive in the current fiscal year. Projections were based on the best data available to-date, including estimates from Nevada Department of Taxation and calculations by local officials on ad valorem revenues.

The Comptroller's office prepared revenue estimates which were somewhat more conservative than McMullen McPhee's. They were a bit more conservative on ad valorem at approximately \$8 million, but were significantly lower on consolidated tax. Payroll Specialist, Kim Todd, explained that the State's consolidated tax estimates have run significantly higher than what has been realized in recent years, so that figure was adjusted to \$4.5 million to match typical receipts.

Incorporating the more conservative adjustments makes the overall projected revenue closer to an even \$16 million. It should be noted that the revenue projections from both McMullen McPhee and from the Comptroller's office were based on a \$0.05 increase to the County tax rate. No revenues from net proceeds were anticipated, as anything received will be applied to the large credit which was overpaid to the County in previous years. The overall projection excluded any taxes that will be paid to the School District and the State of Nevada, as those are simply pass-through payments.

County Tax Rate: As discussed at the last meeting, Eureka County's overall tax rate is currently \$1.7782, by far the lowest in the State. Out of the 17 counties in Nevada, 14 have rates over \$3.00. At the last meeting, the Board contemplated a possible \$0.05 or \$0.10 cent increase to the tax rate. The final tax rate will be determined at a public hearing on May 16th, but the Board needed to provide direction to the Comptroller's office as the proposed rate must be written into the Tentative Budget, due to the State by April 15th.

Using an interactive spreadsheet, Ms. Todd reviewed for the Board the potential revenue increase that the County would receive if the rate was raised by either five cents or ten cents.

Assessor, Michael Mears, reviewed how abatements will limit the annual tax increase experienced by property owners. Owner occupied parcels are limited to a 3% annual increase and most other parcels are limited to a 5.3% increase for the upcoming year. Mr. Mears provided some rough estimates for the upcoming fiscal year based on a \$0.10 increase. With

application of abatements, the first five cents would generate approximately \$439,000.00 and the second five cents would generate an additional \$380,000.00.

Regarding net proceeds of minerals tax, which is 5% (\$5.00 per every \$100.00 of assessed value), the County only receives the County rate (\$1.7782) and the balance goes to the State of Nevada. A healthier rate would result in tremendous benefit to the County in what is retained for net proceeds. Net proceeds are used for capital projects, such as all road improvements, water and sewer improvements, etc.

After a lengthy debate, the Commissioners concurred that they were in favor of a \$0.10 tax rate increase. This would still leave Eureka County with the lowest tax rate in the State, would have a minimal impact on the individual property owner, and would result in tremendous benefits to the County especially in relation to net proceeds income.

Reallocation of Tax Rate: During the last meeting, the Board worked with Ms. Todd to reallocate the current tax rate, along with a \$0.05 increase, to various funds that receive tax revenue. They now worked to allocate the additional five cents, for an overall increase of \$0.10. The majority of additional revenues were assigned to road improvements, municipal water systems, and natural resources in order to build up corresponding fund balances for future projects and depreciation.

These figures will be included in the Tentative Budget, but nothing will be finalized until the Fiscal Year 2016-2017 rate is determined at the tax rate hearing. Commissioner Etchegaray motioned to move forward with the Tentative Budget with the tax allocation as discussed, and to set the public hearing at 1:00 p.m. on May 16th to consider the Fiscal Year 2016-2017 tax rate for Eureka County, proposing a \$0.10 increase. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

DEPARTMENTAL & FUND BUDGETS

Departmental Budgets: *Please note that all tentative budget amounts approved under this section do not yet include salaries and wages. Those will be calculated and added by the Comptroller's office before filing of the Tentative Budget. Any tentative budget amounts not noted in these minutes may be obtained from the County Comptroller's office.*

County Commissioners: The Commissioners briefly reviewed their proposed tentative budget with a net decrease of \$13,000.00 (a decrease in meeting expenses, a decrease in miscellaneous legal fees, and a slight increase in telephone/fax). This created a proposed budget of \$421,900.00.

It should be noted that the current year's budget received a \$100,000.00 transfer for legal fees. This was a transfer from the District Attorney's budget of monies that previously supported the Deputy DA's salary and benefits (a position eliminated through attrition). Legal support that would have been provided by this position has instead been augmented by outside attorneys paid for from the Commissioners' budget.

Commissioner Sharkozy motioned to accept the County Commissioners' tentative budget for Fiscal Year 2016-2017; Commissioner Etchegaray seconded the motion; motion carried 3-0.

Eureka County Justice Court: Justice Court Manager, Cindy Garcia, reviewed the proposed budget for Eureka Justice Court. With consolidation of the Beowawe Justice Court and Eureka Justice Court this past year, both budgets will now be combined into one. Basically, the Beowawe budget was eliminated and the Eureka budget absorbed all expenses, with only a 7% increase overall.

A new line item was created to support the Justice of the Peace Pro Tempore, set at a maximum of \$30,000.00 per resolution adopted on July 6, 2015. Ms. Garcia went over other minor changes to the budget. She indicated that the JAVS (Jefferson Audio Video System) utilized for court is problematic and needs to be upgraded (estimated at \$26,000.00) or replaced. She will work with the IT/Network Analyst to determine the best solution.

Commissioner Etchegaray motioned to accept the Eureka County Justice Court tentative budget for Fiscal Year 2016-2017 as presented; Commissioner Etchegaray seconded the motion; motion carried 3-0. Tentative budget, including Pro Tem fees, was \$85,550.00.

Sheriff's Office: Sheriff Keith Logan gave a detailed presentation of the tentative budgets for the Sheriff's Office, which includes patrol, detentions, and communications. There were some necessary increases based on how the current budget is tracking and for items that were not previously accounted for; but other line items were decreased where possible. Most reductions correlated with personnel related services and supplies, which have decreased due to lower staff numbers.

The State has notified the counties that the Live Scan fingerprinting equipment is no longer supported and needs to be replaced. The County has two machines, at an estimated replacement cost of \$14,000.00 each. Sheriff Logan plans to research grant availability. These funds may not need to be spent in the upcoming year. The Board suggested adding \$30,000.00 to the Capital Projects Fund, which is being used as a contingency for capital outlay items.

Sheriff Logan noted that no vehicle purchases have been made in recent years due to decreased budgets. There are now several vehicles in the fleet approaching or exceeding 100,000 odometer readings, so he felt it would be prudent to earmark \$45,000.00 for a vehicle. After some discussion, it was determined that due to personnel and other savings in the current fiscal year, ending fund balances would support purchasing a vehicle. The Commissioners directed the Sheriff to initiate the process to purchase a patrol vehicle in the current fiscal year.

Commissioner Etchegaray motioned to accept the Sheriff's Office tentative budget as presented along with minor alterations discussed, and to direct the Sheriff to initiate the process to purchase a patrol vehicle in the current fiscal year; Commissioner Sharkozy seconded the motion; motion carried 3-0. The resulting total was \$387,100.00 for tentative budgets under the purview of the Sheriff.

Opera House / Sentinel Museum / Economic Development: Andrea Rossman, Cultural, Tourism & Economic Development Director, reviewed the proposed tentative budgets for the Opera House, Sentinel Museum, and Economic Development Program. Ms. Rossman requested status quo budgets for all departments, unless directed otherwise. Everyone agreed to remove \$1,000.00 for telephone/fax from the Economic Development budget since the telephone at the railroad car had been disconnected.

It was noted that casual employee (shared by the Opera House and Museum) has resigned effective March 31st, and this position will not be filled, so those casual hours will be removed from the budget.

Commissioner Sharkozy motioned to approve the tentative budgets as presented for the following departments: Opera House at \$46,000.00, Sentinel Museum at \$8,250.00, and Economic Development at \$11,850.00. Commissioner Etchegaray seconded the motion. Motion carried 3-0.

Crescent Valley Town Advisory Board: CVTAB Chair, Dawn Gann, submitted written requests for the CVTAB tentative budget. Increases were requested in several services and supplies categories since the Board will be increasing from one member to three members (due to candidate filings for all seats up for election in 2016).

Ms. Gann requested capital outlay of \$3,000.00 for installation of a handicapped access at the entrance to the Crescent Valley Town Park. The Board directed that the \$3,000.00 be included in the Capital Outlay Fund as a park improvement contingency item.

Commissioner Sharkozy motioned to approve the tentative budget for the Crescent Valley Town Advisory Board in the amount of \$11,403.00; Commissioner Etchegaray seconded the motion; motion carried 3-0.

Technology Support: IT/Network Supervisor, Michael Mears, explained that in earlier years technology items were budgeted under Data Processing and other categories (including the Assessor's Technology Fund), with many items and contracts shared among the different

departments. Technology supplies and associated contracts will now be compiled under one category entitled Technology Support. This budget will fund the two main contracts with Business Continuity Technologies, as well as necessary hardware and software for network and departmental support. Wages and benefits for the IT/Network Analyst will also be paid from this budget.

Mr. Mears reminded the Board the he and IT/Network Analyst, Misty Rowley, have been working diligently and have successfully reduced or eliminated many of the technology contracts. This has already resulted in a \$280,000.00 savings for the upcoming fiscal year. They will continue working in this regard and expect to find additional savings.

Commissioner Etchegaray motioned to approve the tentative budget for Technology Support in the amount of \$400,000.00; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Agricultural Extension (University of Nevada Cooperative Extension): Specific budget requests were not received from UNCE, although Southern Area Director, Eric Killian, sent a letter notifying the Board of some personnel changes. The Extension Educator position (currently vacant) is a State funded position. UNCE plans on eliminating the administrative position and the remaining position, the 4H Coordinator, will be reclassified as a State employee effective with the beginning of the fiscal year.

Other changes will become effective with onset of the fiscal year. Eureka County will no longer pay Cooperative Extension services and supplies; instead, UNCE will bill the County for monthly expenses and UNCE will be charged rent for their office space. Ms. Todd will contact representatives of UNCE to work on refining their estimated budget for the upcoming year.

Natural Resources: Natural Resources Manager, Jake Tibbitts, submitted tentative budget requests for Natural Resources, the Natural Resources Advisory Commission (NRAC), the Diamond Valley Weed District, and the County Advisory Board to Manage Wildlife (CAB). He briefly reviewed changes to the budgets, noting that the Natural Resources budget was reduced by 14% (\$118,450.00), the NRAC budget was reduced by 13% (\$12,950.00), and the Weed District budget is status quo (\$48,200.00). The CAB is a State funded budget (\$4,000.00), and since very little has been expended, the State will probably expect them to operate on the ending fund balance.

Mr. Tibbitts relayed that NRAC made several recommendations regarding items that are paid from the Commissioners' budget. They suggested renewing the following memberships: Humboldt River Basin Water Authority at a reduced rate of \$10,000.00 (rather than \$12,000.00), and Central Nevada Regional Water Authority at \$7,500.00. They also recommended renewing the following memberships, which will be paid out of NRAC's current budget: Western Counties Alliance at a reduced rate of \$1,500.00 (rather than \$2,500.00), and American Lands Council at a reduced rate of \$1,000.00 (rather than \$5,000.00).

Commissioner Etchegaray motioned to accept the tentative budgets as presented for Natural Resources, Natural Resources Advisory Commission, Diamond Valley Weed District, and the County Advisory Board to Manage Wildlife. Commissioner Sharkozy seconded the motion. Motion carried 3-0. (*Note: See discussion regarding Rodent District budget for further changes to the Weed District budget.*)

Eureka Conservation District: Mr. Tibbitts is the County representative on the Eureka Conservation District, which receives an annual grant from the County. The Conservation District requested \$25,000.00, a 13% reduction from the previous year's grant of \$28,687.50. Mr. Tibbitts explained that this 'seed money' helps fund many worthwhile projects (including groundwater management planning) that greatly benefit the County.

Commissioner Etchegaray motioned to approve a \$25,000.00 grant to the Eureka Conservation District for Fiscal Year 2016-2017; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Diamond Valley Rodent District: The Board discussed the budget for the Diamond Valley Rodent District. \$30,000.00 was budgeted in the current year with no activity other than \$1,000.00 for supplies and some minimal insurance and investment fees. The Board was not aware of any planned projects, so decided to reduce the budget to \$10,000.00.

They felt a \$20,000.00 reduction in one area of the overall budget could allow for an increase in another area. They agreed to increase the Weed District tentative budget by \$20,000.00. *(Note: Both funds operate from their own tax rates and ending fund balances, so this is not a budget transfer, simply a decrease in one area and an equivalent increase in another area).*

Miscellaneous Fund: Ms. Todd reviewed the Miscellaneous Fund. This fund supports the health fairs or flu shot clinics, pays the County's liability insurance, pays costs of unemployment benefits, and covers any other insurance losses or deductions. She recommended a tentative budget of \$250,000.00, a decrease of \$19,000.00 from the previous year.

Commissioner Etchegaray motioned to accept the tentative budget of \$250,000.00 for the Miscellaneous Fund; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Retiree Health Insurance Fund: Ms. Todd recommended a budget of \$322,500.00 for the Retiree Health Insurance Fund. This fund pays the retiree health insurance premiums. It is, in part, a pass-through account because it receives premium payments from the retirees. Commissioner Sharkozy motioned to budget \$322,500.00 in the Retiree Health Insurance Fund; Commissioner Etchegaray seconded the motion; motion carried 3-0.

RECESS FOR LUNCH

The Board recessed for lunch from 12:15 p.m. to 1:20 p.m.

DEPARTMENTAL & FUND BUDGETS (continued)

Public Works – All Budgets: Public Works Director, Ron Damele, reviewed all budgets under the supervision of Public Works. Road Superintendent, Raymond Hodson, joined the conversation related to the Road Department and Regional Transportation Commission (RTC). In addition to Public Works, Road Department, and RTC, the departments and funds under purview of Public Works include: Buildings & Grounds, Airport, Fire/Emergency Management (including all Volunteer Fire Departments), Cemeteries, Swimming Pool, Public Parks, Building Reserve, Streets & Grounds, Street Lighting, Eureka Water/Sewer, Crescent Valley Water, Devil's Gate Water, Landfill, and Yucca Mountain. *(Note: Tentative budget amounts for all funds and departments under Public Works are available in the Comptroller's office).*

Mr. Damele noted that most of the budgets will remain the same as the previous year (although there may be some movement between line items to reflect current needs). Budgets with notable changes were reviewed in more detail: Road Department and RTC, Eureka Airport, Buildings & Grounds, and Yucca Mountain.

Road Department: Very little change was proposed for the Road Department budget. The main adjustment was assignment of \$50,000.00 to contract services. This is a portion of a mechanic's salary (a position eliminated through attrition) so that services can be contracted if the need arises.

RTC: Mr. Damele proposed moving \$400,000.00 from the Road Department ending fund balance into RTC to serve as a placeholder for emergency road maintenance. Due to the cost involved in any substantial road project, the Commissioners agreed to increase this amount to \$1 million.

Eureka Airport: \$30,000.00 was included in the Eureka Airport tentative budget as matching funds for a Federal Aviation Administration grant of roughly \$450,000.00 for taxiway and runway maintenance. The Commissioners agreed that this was a worthwhile investment.

Buildings & Grounds: A couple of unanticipated repairs in the current year (at the Opera House and Courthouse) took a big chunk out of the Buildings & Grounds budget. With this in

mind, along with some anticipated expenses, Mr. Damele proposed increasing this budget by about \$78,000.00.

Yucca Mountain: Mr. Damele recommended encumbering the remaining fund balance, of approximately \$330,000.00, in the tentative budget.

Swimming Pool: Mr. Damele stated that although reduced hours for the pool have been discussed recently, he does not feel there is a need at this time and submitted a status quo budget.

Crescent Valley Town: Mr. Damele recommended budgeting \$6,000.00 for tree trimming at the Crescent Valley Park. In the previous year, \$150,000.00 was budgeted in Crescent Valley Water to recoat one of the tanks, but the work wasn't needed yet. \$100,000.00 will be retained in the Capital Outlay budget for this purpose.

Depreciation: Ms. Todd budgeted depreciation into the following accounts: \$150,000.00 in Devil's Gate Water (FY 2015 actual was \$153,051.00); \$300,000.00 in Eureka Water (FY 2015 actual was \$545,610.00); \$50,000.00 for Eureka Sewer (FY 2015 actual was \$45,329.00); and \$225,000.00 for Crescent Valley Water (FY 2015 actual was \$225,000.00).

Digital X-Ray Machine for Crescent Valley Clinic: Mr. Damele recommended budgeting \$35,000.00 to purchase a digital x-ray machine for the Crescent Valley Clinic. The Board determined that the current year's Capital Outlay Fund could support this purchase and directed Mr. Damele to initiate the purchase in the current fiscal year.

Additions to Public Works Budget: RADIO & REPEATER REPLACEMENT: Within the next five years radios will totally convert to digital, requiring the County to replace the current radio and repeater system, at an estimated cost of \$250,000.00. The Board directed Ms. Todd to make a note in the budget as a placeholder, but to hold off on inserting a specific dollar amount until they could see final Tentative Budget numbers.

RADIO EQUIPMENT ON PROSPECT PEAK: The Television District is constructing a 40-foot extension on Prospect Peak tower and the County's equipment will be moved onto the extension. The Board agreed to add \$15,000.00 to the tentative budget for Public Works (there may be additional costs to the Sheriff's Office and Road Department). If the move occurs in the current fiscal year, monies will be taken from the Capital Outlay Fund.

TEST WELL: Mr. Damele and the Board discussed the need to budget for drilling a test well in Kobeh Valley. Everyone agreed to budget an additional \$200,000.00 in Public Works for this purpose.

Motion to Accept Public Works Tentative Budgets: Commissioner Sharkozy motioned to accept all tentative budgets presented by Public Works, including the additional items specified, particularly \$200,000.00 for a proposed test well in Kobeh Valley. Commissioner Etchegaray seconded the motion. Motion carried 3-0.

Diagnostic & Treatment Center: This budget covers the clinical services contract for medical services at the Eureka and Crescent Valley Medical Clinics. Based on a discussion later in the day's meeting, the Board directed Ms. Todd to budget a contract amount of \$640,000.00.

PERSONNEL BUDGET

Casual Hours for District Attorney's Office: District Attorney, Ted Beutel, notified the Comptroller's office and also spoke with the Chairman regarding the need for casual hours in order for his office to accommodate some employee leave and to address some tasks the Commissioners would like completed during the upcoming year. The Board agreed to add these hours to the budget.

Projected Personnel Costs: The Comptroller's office presented final projections for personnel related costs. Current base costs for budgeted personnel are \$5.1 million for salaries and wages, and \$2.9 million for benefits (insurance, retirement, employment taxes). As requested, Ms. Todd provided cost comparisons for various combinations of merit increases and cost of living allowances (COLA). Salaried and elected personnel are not eligible for merit

increases, so only COLAs were calculated for these sets of employees. Merit increases have been frozen for one year and cost of living allowances have been frozen for two years.

Ms. Todd noted that, primarily through attrition, the County will save \$1.3 million in personnel costs in Fiscal Year 2016-2017 compared to figures from the last annual audit (Fiscal Year 2014-2015).

The Commissioners opted to go with the least expensive options: a 3% COLA for salaried employees (approximate cost of \$10,000.00); a 3% COLA for elected officials as set per statute (approximate cost of \$15,000.00); and a merit increase for hourly employees (a maximum cost of \$58,000.00 which will not be realized in the first budget year because anniversary dates for merit opportunities fall throughout the year).

Commissioner Sharkozy motioned to reinstate merit increases for hourly employees, to provide a 3% cost of living adjustment for salaried/appointed employees, and to provide a 3% cost of living adjustment for elected officials for Fiscal Year 2016-2017. Commissioner Etchegaray seconded the motion. Motion carried 3-0.

Holiday Pay: A suggestion was made at the last meeting to eliminate the 10-hour holiday pay and return to the 8-hour holiday pay benefit. Besides being an extra cost for the County, the 10-hour holiday benefit has caused scheduling conflicts in departments with 8-hour shifts, particularly for jobs in the Sheriff's Office requiring 24-hour coverage.

There are 11 holidays throughout the year and 52 employees who receive two extra hours for those holidays, at a cost of \$34,612.00 annually. In addition, overtime can become a factor when an employee covers for a colleague taking the additional two hour leave.

The Chairman had an opportunity to speak with several employees since the last meeting and most felt it made sense to return to the 8-hour benefit. Road Superintendent, Raymond Hodson, pointed out that when crews are working 10-hour shifts, this will require them to use two hours of annual leave or comp time.

Commissioner Sharkozy motioned to propose changing to an 8-hour holiday benefit for eligible employees, to direct the District Attorney to draft a resolution proposing this change to the Personnel Policy Manual, and to place an item on a future agenda to review the draft resolution and schedule a public hearing to consider adopting this policy change. Commissioner Etchegaray seconded the motion. Motion carried 3-0.

FUTURE BUDGET MEETING(S)

April 6th & April 13th: The Board agreed to include a budget topic on the April 6th agenda to ensure budget items can be addressed should anything arise as the Tentative Budget documentation is prepared. A meeting was scheduled for 10:00 a.m. on April 13th to review the Tentative Budget and sign the top sheets for submission to the Nevada Department of Taxation.

PUBLIC WORKS

May Clean Up Days: Public Works Director, Ron Damele, requested authorization for May Clean Up Days and Free Dump Days. Commissioner Etchegaray motioned to declare May 5th, 12th, 19th, and 26th as Clean Up Days in the townsites of Eureka, Crescent Valley, and Beowawe for the following items: yard waste, furniture, white goods, tires, and car bodies (excluding hazardous materials, household garbage, and dead animals). Commissioner Sharkozy seconded the motion. Motion carried 3-0.

Mr. Damele indicated that all items to be removed must be located at the property line adjacent to the street and must be separated according to each waste classification.

Free Dump Days: Commissioner Sharkozy motioned to declare May 7th, 14th, 21st, and 28th as Free Dump Days at the Eureka Landfill (8:00 a.m. to 12:00 noon and 1:00 p.m. to 4:00 p.m.) and at the Crescent Valley Laydown Yard (8:00 a.m. to 12:00 noon) for the following items: yard waste, furniture, white goods, tires, and car bodies (excluding hazardous materials,

household garbage, and dead animals). Commissioner Etchegaray seconded the motion. Motion carried 3-0.

Mr. Damele instructed that all items must be separated and disposed of according to each waste classification or they will not be accepted.

Janitorial Contracts: The successful bidder was announced and the janitorial bids for County buildings were awarded at the March 7th meeting. Mr. Damele now presented the three janitorial contracts for approval and signature. Commissioner Etchegaray motioned to approve the janitorial contracts with Crystal Clear Janitorial (Leanna Cantrell) for the following: (a) Administration Building for \$1,800.00 per month, (b) Courthouse Building for \$2,300.00 per month, and (c) Justice Facility and Eureka Library Building for \$1,300.00 per month. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

CLERK & TREASURER

Treasurer's Report: The Treasurer's Report for February was submitted by Clerk & Treasurer, Beverly Conley. Ending General Fund balance was \$14,388,250.12. Overall ending balance, including encumbered funds, was \$60,381,074.90.

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. Ms. Rossman provided a copy of the February calendar showing activities at the Opera House. The \$3,750.00 quarterly installment of the \$15,000.00 annual grant from the Governor's Office of Economic Development was received and deposited. This funding is distributed through the Great Basin Regional Development Authority. The Economic Development Program Board met on March 9th. The murder mystery dessert show, performed by Lollipop Productions, was held at the Opera House on Saturday, March 19th. Ms. Rossman anticipates a busy season for the facilities because it is the 30th anniversary of US Highway 50 being named "*The Loneliest Road in America*."

Museum Director, Ree Taylor, submitted a written report detailing recent activities at the Sentinel Museum. Spring break is resulting in extra visitors. As a note of interest, the Museum accepted over 300 artifacts and donations calendar year 2015.

Ms. Rossman informed the Board that Leanna Cantrell, the shared casual position, has tendered her resignation effective March 31st. There are no plans to fill this position.

NATURAL RESOURCES

Report on Activities: Natural Resources Manager, Jake Tibbitts, gave an update on recent events, as follows.

Irrigation Workshop: The Eureka Conservation District sponsored an Irrigation Workshop at the Opera House on March 14th. It highlighted some of the research being done in Diamond Valley where soil moisture meters and low elevation sprinkler system applications (LESA) were installed. These practices resulted in a 20% reduction in water use and Dr. Howard Neibling, University of Idaho, believes a 30% reduction can be achieved with no loss in crop yield.

Proofs Deadline – State Engineer Order No. 1266: The Nevada Division of Water Resources denied the BLM's request for an extension of time for filing of proofs for the adjudication proceeding associated with State Engineer Order No. 1266: *Notice of Order for Taking Proofs to Determine Water Rights Order No. 1266; In the Matter of the Determination of the Relative Rights In and To All Waters of Diamond Valley, Hydrographic Basin Number 10-153, Located in Eureka and Elko Counties, Nevada*. So the deadline to submit proofs remains May 31, 2016.

Legislative Committee on Public Lands: Eureka County has been invited to attend the Legislative Committee on Public Lands meeting on July 22nd in Elko. Mr. Tibbitts, Chairman

Goicoechea, and Jim Baumann, Chairman of the Natural Resources Advisory Commission, will attend on behalf of Eureka County.

Prospect Mountain Mine: On March 15th, the Chairman and Mr. Tibbitts had a productive meeting with Ty and Ari Erickson to work on resolution of the water protests related to their Prospect Mountain Mine.

Sage Grouse Issues: Seven projects from Eureka County were submitted for the first round of State funding to test the Conservation Credit System and two of the projects were selected. Details are being worked out with the Sagebrush Ecosystem Council, but there is a lack of direction from the State which is causing some apprehension and frustration on the part of the property owners.

On the legal front, attorneys continue preparing for the briefing schedule in June (following the sage grouse hearing in US District Court in Reno last November). Mr. Tibbitts and Chairman Goicoechea are busy assisting with review of the administrative record.

Grazing Decisions: Mr. Tibbitts shared a copy of the most recent US Drought Monitor map, showing that most of Eureka County is abnormally dry, but no longer in drought. The BLM has been working on annual authorizations with permittees, but hasn't issued any new decisions related to drought since December. Mr. Tibbitts and the Chairman met with representatives of the Battle Mountain District BLM in Eureka on March 17th to discuss several issues and were able to make some progress regarding at least one allotment.

Humboldt-Toiyabe National Forest: Several years ago, the plan for the Humboldt-Toiyabe National Forest was updated and as part of that process the US Forest Service is tasked with implementing various monitoring programs. The Humboldt-Toiyabe National Forest Plan Preliminary Draft Monitoring Program has been issued for comment. Mr. Tibbitts reviewed the Plan and doesn't feel it is crucial to comment at this point, but recommends monitoring any new decisions that may result from this monitoring program.

MEDICAL CLINICS ADVISORY COMMITTEE

Recommendation on NVHC Response: In January, the Board responded to an amended proposal from Nevada Health Centers with a letter outlining the contractual arrangement the County would like to move forward with for clinical services. The County requested two contracts, one for the Eureka Clinic with two full-time mid-level providers and one for the Crescent Valley Clinic with one part-time mid-level provider, at a lower contract rate (from \$778,500.00 to \$599,767.00) reflecting the reduced number of providers, while continuing with the performance audit and penalty phase included in recent contracts.

Nevada Health Centers responded with a letter, dated February 25th, outlining three options. The Medical Clinics Advisory Committee met on March 17th and reviewed the options. MCAC Chair, Garney Damele, appeared before the Commissioners and also submitted a letter outlining the Committee's recommendations. The Committee voted to recommend Option #2. This met the County's requests, but changed the monetary reduction to \$148,500.00 as opposed to the County's requested reduction of \$178,733.00.

Chairman Goicoechea informed his fellow Commissioners that he attended the MCAC meeting on March 17th. Although the Committee voted to recommend NVHC's Option #2, the Committee agreed that the Chairman should continue seeking an alternate group or company that can provide the same or similar services at a lower monetary rate. This is in line with the motion made by the Board of County Commissioners on October 6, 2015, asking the Chairman to meet with NVHC to discuss contract status, but directing him to also research other companies that could offer rural clinical services.

Chairman Goicoechea added that he has spoken with a medical group that believes they can prepare a proposal providing a higher level of services at a lower annual cost. Based on this, the Board agreed to take no action at this time related to the MCAC's recommendation.

CORRESPONDENCE

Correspondence was received from: Trish Reynolds; Richard McKay; District Attorney, Ted Beutel (5); Clerk & Treasurer, Beverly Conley (3); Public Works Director, Ron Damele; Comptroller, Tina Hubbard; Payroll Specialist, Kim Todd (4); Eureka Activities (2); Juvenile Probation Officer, Steve Zimmerman; Natural Resources Advisory Commission; Medical Clinics Advisory Committee; Eureka County Recreation Board; Eureka County Television District; Eureka Business Network; Eureka Owl Club (2); Crescent Valley Town Advisory Board (2); Nevada Assoc. of Counties; NACO News (2); Central Nevada Regional Water Authority; White Pine County; Newmont Mining; McMullen McPhee & Co., LLC, University of Nevada Cooperative Extension; Allison, MacKenzie, Ltd.; Nevada Div. of Water Resources; Nevada Aging & Disability Services Div.; Nevada Dept. of Transportation; Nevada Div. of Environmental Protection; Nevada Dept. of Taxation; Nevada Office of the Controller; Nevada Div. of Public & Behavioral Health (3); Nevada Dept. of Business & Industry (2); Nevada State Clearinghouse (7); Consumer Direct of Nevada; The Business Advocate newsletter; US Dept. of the Interior-BLM (Ely District); US Environmental Protection Agency; US Navy, Naval Facilities Engineering; Western Counties Alliance; ISO, Darin Cabalona, Community Mitigation Analyst; Smart Asset; and National & Community Service & Nevada Volunteers.

PUBLIC COMMENT

Chairman Goicoechea opened the floor for public comments. Clerk & Treasurer, Beverly Conley notified everyone that candidate filing for the 2016 Election has concluded and a final list of candidates is available on the County website.

ADJOURNMENT

The meeting was adjourned at 2:46 p.m.

Approved by vote of the Board this 6th day of April, 2016.

/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 21, 2016, meeting of the Board of Eureka County Commissioners.

/s/ Jackie Berg

Jackie Berg, Commissioner Clerk

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