

EUREKA COUNTY BOARD OF COMMISSIONERS

April 6, 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 April 6, 2015, at the Crescent Valley Town Center. 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 April 6th agenda; Commissioner Etchegaray seconded the motion; motion carried 3-0.

PUBLIC COMMENT

Chairman Goicoechea called for public comments. Crescent Valley resident, Joy Martin, explained that local residents must drive to Carlin to pick up packages because the CBUs (cluster box units) installed by the US Postal Service in 2013 are not adequate to receive packages. Ms. Martin spoke with the Postmistress at the Carlin Post Office, and she has received several complaints and forwarded them on to postal representatives with no results. Originally, the plan was to install some larger stand-alone units for packages, but this never occurred. Ms. Martin asked if the Commissioners could assist the citizens by encouraging a method for package delivery in the area. The Commissioners agreed to look into it.

APPROVAL OF MINUTES

March 12, 2015: Commissioner Sharkozy motioned to approve minutes of the March 12, 2015, budget meeting; Commissioner Etchegaray seconded the motion; motion carried 3-0.

FINANCE

Payment of Expenditures: Expenditures were presented for approval by Recorder & Auditor, Sara Simmons. Commissioner Etchegaray motioned to approve expenditures in the amount of \$685,671.17 for accounts payable, \$417,303.50 for payroll, \$22,082.05 for a special payroll, \$664,526.89 for a pass-through tax allocation to the School District, and \$14,171.58 for Yucca Mountain, for a grand total of \$1,803,755.19. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

Auditor's Report: The Board reviewed ending fund balances on the Auditor's Report.

FISCAL YEAR 2015-2016 TENTATIVE BUDGET

Budget Top Sheets: Top sheets for the Fiscal Year 2015-2016 Tentative Budget must be submitted to the Nevada Department of Taxation by April 15th. Commissioner Sharkozy will be unavailable for the April 13th budget meeting, so the top sheets were presented for his signature by Budget Director, Michael Mears. All tentative budget numbers have been approved by the Commissioners throughout the budget process and no changes are anticipated between now and April 13th. Commissioner Etchegaray motioned to authorize Commissioner Sharkozy to sign the Fiscal Year 2015-2016 Tentative Budget top sheets; Commissioner Sharkozy seconded the motion; motion carried 3-0.

COMMISSIONERS

Update Reports: All Commissioners attended the budget meeting on April 1st. Commissioner Sharkozy attended the Crescent Valley Volunteer Fire Department meeting on March 24th.

Commissioner Etchegaray attended an Investment Committee meeting on March 23rd; traveled to Carson City on March 25th to meet with Senator Pete Goicoechea regarding Senate Bill 81; and met with representatives of General Moly on April 1st.

Chairman Goicoechea attended an emergency NACO Board meeting via telephone the afternoon of March 20th; traveled to Washington, DC, on March 23rd-27th for various legislative, agency, and natural resource issues; attended a regular NACO Board meeting on March 30th in Carson City; while there, attended Local Government Day at the Nevada Legislature; returned to the Nevada Legislature on the afternoon of April 1st; attended Ag Day at the Legislature on April 2nd, providing testimony; and met with the Nevada Department of Conservation & Natural Resources on April 3rd.

Pooling Resources, Inc., Contract: The contract for Human Resources services has been completed and forwarded to Pooling Resources, Inc., for review and signature. Commissioner Sharkozy motioned to table final approval of the contract with Pooling Resources, Inc., until it is returned; Commissioner Etchegaray seconded the motion; motion carried 3-0.

Change in Meeting Date: Commissioner Etchegaray motioned to change the regularly scheduled May 20th meeting to May 18th in order to comply with the statutory date for budget hearings as outlined in NRS 354.596(4)(a); Commissioner Sharkozy seconded the motion; motion carried 3-0.

Sagebrush Ecosystem Program & Nevada Greater Sage-Grouse Conservation Plan: Release of the Greater Sage-Grouse Draft EIS is still awaited from the BLM and US Forest Service. Chairman Goicoechea reported the Sagebrush Ecosystem Council, which he chairs, will meet on April 9th for continued discussions on the Plan, forthcoming EIS, and related concerns. Language in the final version of the State Plan (Alternative E of the EIS) would require a 7-inch stubble height for vegetation during sage grouse late brood rearing season, and this is being strongly debated.

Legislative Updates: Chairman Goicoechea and Jake Tibbitts provided testimony on several bills the previous week in Carson City. There is a big push in the Legislature as the deadline is fast approaching for bills to come out of committee and be presented to the other side (Assembly or Senate).

CRESCENT VALLEY TOWN ADVISORY BOARD

Community Development Implementation Plan: Crescent Valley Town Advisory Board Chair, Dawn Gann, was unable to attend in person, but provided a letter with an update on the Working Committee for the Community Development Implementation Plan. They have been discussing the Bountiful Baskets Program, which would provide fresh low-cost produce to the area if enough participants sign up.

Request for Notary Public: Ms. Gann provided a second letter outlining the need for notary public services in the community and requesting that the County authorize the minimal costs. Kathy Kinkade and Nona Kellerman are both willing to take the training. Commissioner Etchegaray motioned to authorize the Crescent Valley Town Advisory Board to utilize funds from the current fiscal year's budget to pay for travel, training, and materials for Kathy Kinkade and Nona Kellerman to become notaries public for the Crescent Valley area; Commissioner Sharkozy seconded the motion; motion carried 3-0.

ROAD DEPARTMENT

Report on Activities: Road Superintendent, Raymond Hodson, reported on Road Department projects and activities. Crews in the north and south have been able to make a wide pass and have bladed numerous roads throughout the County. Road Department and Road

Shop employees attended Red Card training for wildland firefighting. Watering and ground prep was done at the Crescent Valley Rodeo Grounds for a couple of recent events.

PUBLIC WORKS

Update on Public Works Projects: Public Works Director, Ron Damele, reported on recent projects and activities. Upcoming Extrication Training: Extrication training is planned in Eureka on May 30th and will be attended by volunteers from Beowawe and Crescent Valley as well. Temporary Road Maintenance Equipment Operator I: Interviews will be conducted on April 7th for the Road Department employee funded by Barrick Gold for road maintenance in the JD Ranch Road area. SLAG Meeting: The next SLAG Working Group meeting is scheduled for April 27th at 5:00 p.m. Biale Property: The record of survey has been completed on the Biale property, which was offered to the County for construction of a Veterans' Memorial. The map will be recorded shortly. School District Parcel Map: The parcel map, to clean up boundaries in the area of the School District's new gymnasium, is being signed by various parties and will be presented for approval in the very near future.

Water Service Application: Mr. Damele reported that an application was received for a new residential water service in Crescent Valley and the system has the capacity to serve it. Commissioner Etchegaray motioned to approve the application from Mauro Palafox for a new residential 3/4-inch water service in Crescent Valley located at 3018 Crescent Avenue; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Water Usage at Crescent Valley Town Park: In light of the recent arsenic removal media replacement at the arsenic treatment plant, at a cost of \$50,000.00, the Board reviewed water usage in Crescent Valley, particularly at the Crescent Valley Town Park. Mr. Damele reported that in 2013, a total of 49 million gallons were pumped and treated by the plant. Of that, nearly eight million gallons were used to water the park. In 2014, over 54 million gallons were pumped and treated, with nearly seven million used at the park. Everyone agreed that Public Works should work with the Crescent Valley Town Advisory Board and town residents to strategize on ways to reduce the amount of water used at the park. Options may include reducing the footprint of the park, changing a portion to desert landscaping, etc. The Board would like to have a recommendation to consider during the next cycle of budget discussions.

RAINES LLC PURCHASE AGREEMENT

Request from Scott Raine to Modify Conditions in Purchase Agreement: In June 2014, Raines LLC entered into a purchase agreement with Eureka County for property in the Eureka Canyon Subdivision (APN 001-221-08). The purchase agreement reads that the deed will be delivered after soils management on the property is completed. Scott & Sylvia Raine appeared before the Board to request that title be transferred upon reasonable assurance that Raines LLC will comply with the Soils Management Plan. For instance, Mr. Raine suggested the option of having the construction contract (between Raines LLC and a licensed general contractor) include a provision that the contractor will follow and complete the Soils Management Plan.

Mr. Raine introduced Bill Walley, Vice President-Construction & Maintenance for Associated Food Stores, who will serve as Project Manager for Raines LLC as they construct their store on the site. Mr. Raine and Mr. Walley explained the dilemma. There are two options for managing the contaminated soil: one, remove all top soil and create an encapsulated mound; or two, cover the soil with asphalt as part of construction. The second option is preferred by them and was included in the construction plan.

Under the current agreement, Raines would have to move the soil in accordance with the SMP, acquire the deed, obtain the construction loan, and then move the soil again (to use as fill material). If they could acquire the deed up front, the construction loan could be obtained directly and the SMP and asphalt paving could be accomplished in a combined step. This would provide a tremendous costs savings to Raines and would serve as a better solution for long-

term management of the contaminated soil. They have a low bidder for the project, but have not yet entered into a contract hoping to reach a resolution to this problem.

District Attorney, Ted Beutel, weighed in on the County's future liability if the SMP is not satisfactorily completed. The County has knowledge of the level of contamination contained on the property and regardless of transfer of ownership, the liability remains with the County until remediation occurs.

The Commissioners were understanding and empathetic to the problem presented by Mr. Raine, but replied that their ultimate responsibility lies with protecting Eureka County and its citizens, not only now, but into the future. There was a lengthy discussion related to the site and various options. The Board did not know if there was an alternative that would still allow for full protection of the County, but agreed that Chairman Goicoechea and Ron Damele will work outside of the meeting with Mr. Raine and his representatives to see if a solution could be reached.

ELKO-LANDER-EUREKA COUNTY LIBRARY SYSTEM

Fiscal Year 2015-2016 Library Contract: The proposed library contract was received earlier in the year with an approximate \$8,000.00 increase over the current contract. The Board responded with a letter to the Library System asking them to return an amended contract incorporating a 20% decrease, more in keeping with budget cuts across all County departments.

Jeanette Hammons, Director, and Kassie Antonucci, Assistant Director, were in attendance and presented two alternatives: a 12% reduced budget/contract, or a 20% reduced budget/contract. Ms. Hammons explained in detail how some of the costs cannot be changed because they are passed-down costs, such as those related to CLAN (Cooperative Libraries Automated Network). These costs are shared by the tri-county library system, but Elko County has agreed to absorb a portion of Eureka County's costs in order to meet the budget restrictions.

The 12% reduction proposed cutting 4.5 hours out of the Crescent Valley Library; the 20% reduction proposed cutting nine hours from the Crescent Valley Library. Hours cannot be cut from the Eureka Library, as it is already at the minimum for the librarian to remain benefited (30 hours per week).

After some discussion, the Commissioners agreed they could not accept a nine hour reduction in hours at the Crescent Valley Library, but in order to stay within budget, would reluctantly accept the 4.5 hour cut. Commissioner Etchegaray motioned to select the 12% reduced budget for the Fiscal Year 2015-2016 library contract, resulting in a contract amount of \$94,197.00; Chairman Goicoechea seconded the motion; motion carried 2-1 with Commissioner Sharkozy voting against the motion as he was not in favor of reduced library hours.

For the benefit of those present, Chairman Goicoechea reviewed budget cuts taking place throughout the County, which add up to an overall decrease in operating expenses of approximately 46%, with significant cuts occurring at both ends of the County. He also noted that the previous year, with closure of the Beowawe branch, hours at the Crescent Valley Library had been increased by 4.5, so this change would cause the branch to revert to the number of hours it operated in previous years.

CLERK & TREASURER

Delinquent Tax Notices: Clerk & Treasurer, Beverly Conley, presented the Affidavit of Mailing of delinquent tax notices for real property parcels. On March 18th, 287 first-year, 43 second-year, and 23 third-year delinquent tax notices were mailed. Ms. Conley described number of notices delivered, returned, and outstanding, as well as how many property owners had responded with payment. Commissioner Etchegaray motioned to accept the Affidavit of Mailing of delinquent tax notices for 2015; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Clerk Quarterly Report: A written report was submitted by Clerk & Treasurer, Beverly Conley, depicting Clerk and court fees for January, February, and March. A total of \$4,393.19 was collected for the quarter.

SENIOR CENTERS

Update Report: Senior Center Director, Millie Oram, reported on activities at the Eureka Senior Center and Fannie Komp Senior Center. In March, Eureka served 920 meals and Crescent Valley served 669 meals. A total of \$6,880.60 was deposited for the month.

NATURAL RESOURCES

Report on Activities: Natural Resources Manager, Jake Tibbitts, reported on recent activities. Mr. Tibbitts attended the Nevada Weed Management Association meeting on March 24th; traveled to Reno on March 27th for the State Conservation Commission meeting; participated in a conference call on March 30th regarding the Midway Gold Rock Project Draft EIS; was at the Nevada Legislature in Carson City from March 31st through April 3rd; and met with representatives of the US Geological Survey on April 3rd.

Upcoming Meetings: On April 7th and 8th, Chairman Goicoechea and Mr. Tibbitts have been invited to participate with the BLM and permittees in trying to find some resolution on issues related to the Argenta Allotment. Other upcoming meetings include a State Land Use Planning Advisory Council meeting in Elko on April 10th; a Crescent Valley Firewise Committee meeting on April 13th; a Eureka Conservation District meeting on April 15th; an irrigation and water use efficiency workshop sponsored by the Conservation District at the Opera House on April 21st; and a governance structure workshop for the Diamond Valley Groundwater Management Plan on April 23rd facilitated by Steve Lewis, Extension Educator, also sponsored by the Conservation District.

BLM Fish Creek Herd Management Area: Mr. Tibbitts reported that last week the Administrative Law Judge ruled to deny the Petition for Stay filed with US Department of Interior, Administrative Appeals, related to the BLM Fish Creek Herd Management Area wild horse gather and fertility control treatment. In the same order, the Judge ruled that many of the ranchers listed on the Notice of Appeal did not have standing – meaning they had not filed comments or participated during the administrative process on related EAs (Environmental Assessments) or EISs (Environmental Impact Statements). The County is still involved in the process and attorney, Mark Pollot, Esq., is working on the Statement of Reasons for the appeal, which is due on April 8th. The parties deemed to have no standing have no administrative remedies available to them, but do have the ability to file something in District Court if they so choose.

Greater Sage-Grouse Land Use Plan Amendment Final EIS: The Final EIS on the Greater Sage-Grouse Land Use Plan Amendment is expected any day, but has not yet been released.

Gold Rock Project Draft EIS: During the March 20th meeting, the Board and Mr. Tibbitts discussed comments related to the Gold Rock Project Draft EIS. Based on that discussion, Mr. Tibbitts prepared a letter, signed by the Chairman, outlining the County's support for the project, but reiterating concerns over socioeconomics, water resources, livestock grazing and loss of AUMs. It also noted the assurance from the BLM that the County's comments would be adequately incorporated into the Final EIS. Commissioner Sharkozy motioned to ratify sending the comment letter to the BLM related to the Gold Rock Project Draft EIS; Commissioner Etchegaray seconded the motion; motion carried 3-0.

WESTERN COUNTIES ALLIANCE

Update on Public Land Issues: Ken Brown, of Western Counties Alliance, was in attendance in Crescent Valley and updated the Commissioners on various public land issues of interest to Eureka County. These included: Payment in Lieu of Taxes (PILT) and the need for

permanent funding; Secure Rural Schools (SRS), which was not reauthorized for 2015; wild horse and burro issues (and the unfortunate retirement of Dr. Boyd Spratling from the Wild Horse & Burro Advisory Board); sage grouse issues and the effect on multiple western states; RS 2477 road rights-of-way, with assistance offered to the County by WCA on this issue; mineral revenues; wilderness areas; grazing issues; public land transfer from the federal government to the states (Mr. Brown commented on his faith in the states' abilities to manage the land); and geothermal revenues. Mr. Brown provided a packet of detailed information on these issues and outlined the continued work being done by Western Counties Alliance in the western states and in Washington, DC, to keep these issues in the forefront.

Membership Renewal: Mr. Brown recognized the County's budget constraints and thanked the County for their support of WCA in the past. In light of this, Western Counties Alliance has opted to renew Eureka County's membership for Fiscal Year 2015-2016 with a waiver of the annual membership fees. He hopes the County will be in a better financial position in subsequent budget years. The Board thanked Mr. Brown for his presentation, for making the trip, and voiced appreciation for the membership renewal.

FIRE DEPARTMENT QUARTERLY REPORTS

Eureka Fire Department: A written report for the Eureka Volunteer Fire Department was provided by Chief Dan Brown. There were four emergency responses for the quarter including a fire at the Eureka Landfill, trees in power lines, and two motor vehicle accidents. Training consisted of hydrant hookup, interior attack and search, tools fitting, pre-planning, wildland fire, and a Red Card refresher course.

Crescent Valley Fire Department: Chief Rick Harding provided a written report for the Crescent Valley Volunteer Fire Department. There are currently 14 members. The VFD responded to one call for a structure fire, which turned out to be a false alarm. Training included entry-level firefighter, basic first-aid, CPR, AED (automated external defibrillator) usage, and a wildland fire safety/tactics/strategy course taught by the BLM.

JUSTICE COURT QUARTERLY REPORTS

Eureka Justice Court: Eureka Justice Court provided a written report and a total of \$286.25 in fees was collected for the quarter.

Beowawe Justice Court: Beowawe Justice Court provided a written report and a total of \$159.00 in fees was collected for the quarter.

EUREKA COUNTY TELEVISION DISTRICT QUARTERLY REPORT

Quarterly Report: A written report was submitted by Dave Pastorino, President of the Television District, and Department Assistant, Annie Kniefel. The Television District will enter into a contract with Eagle Communications, LLC, of Elko, for consistent maintenance of equipment on Prospect Peak, Tank Hill, Argenta Rim, and Mary's Mountain. Four members plan on attending the National Translator Association Annual Convention on May 15th-17th in Reno. There is currently one vacancy on the Television District Board and the seat is being advertised.

EUREKA COUNTY SHERIFF QUARTERLY REPORT

Detention Facility: Sheriff Keith Logan provided the Detention Facility report. There were a total of 21 inmates for the quarter, including those housed at onset of the quarter and 17 new bookings. This resulted in 404 total inmate days for January, February, and March.

Animal Control: There were 20 incident calls related to animals for the quarter – 14 in Eureka and six in Crescent Valley.

Patrol Statistics: The patrol statistics report showed a total of 2,177 incidents for the quarter. Incidents include calls for service, officer initiated incidents, traffic stops, building checks, vehicle/pedestrian checks, traffic accidents, arrests, and other incidents.

MEDICAL PROVIDER QUARTERLY REPORTS

Nevada Health Centers, Inc.: No report was received from Nevada Health Centers for the quarter.

Rehab Services of Nevada: A written report was received from Greg Barker, Physical Therapist and Director of Rehab Services of Nevada. There were 26 clinic days and 164 patient visits in Eureka during the quarter. Total subsidy paid for the quarter was \$13,992.25.

Eureka Dental Care: Daniel Norris, DDS, submitted the following statistics for Eureka Dental Care: there were 36 clinic days and 250 patient visits during the quarter. Dr. Norris receives no County subsidy for his services. He has a lease agreement with the County for space at the Eureka Medical Clinic.

CORRESPONDENCE

Correspondence was received from: Karen Bowser; District Attorney, Ted Beutel; Executive Assistant, Jackie Berg; Eureka County Economic Development Program; Crescent Valley Town Advisory Board (2); Elko-Lander-Eureka Library, Director Jeanette Hammons; White Pine County Board of Commissioners; BLM Nevada News; and Western Counties Alliance.

PUBLIC COMMENT

Chairman Goicoechea called for public comments. Dwight Thompkins, member of the Working Committee for the Community Development Implementation Plan, provided more information on the Bountiful Baskets Program. He currently participates through a different community and commented on what a great program it is. He was not sure if Crescent Valley will be able to reach the minimum number of 70 participants, but felt it might be feasible in Eureka.

ADJOURNMENT

Commissioner Etchegaray motioned to adjourn the meeting; Commissioner Sharkozy seconded the motion; the meeting was adjourned at 11:52 a.m.

Approved by vote of the Board this 18th day of May, 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 April 6, 2015, 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