

COUNTY BOARD OF COMMISSIONERS

May 6, 2010

STATE OF NEVADA)
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COUNTY OF EUREKA)

CALL TO ORDER

The Board of Eureka County Commissioners met pursuant to law on May 6, 2010. Present were Chairman Leonard Fiorenzi, Vice Chair Jim Ithurralde, Member Mike Page, District Attorney Theodore Beutel, and Clerk & Treasurer Jackie Berg. The meeting was called to order at 9:30 a.m. and began with the Pledge of Allegiance. The interactive video conference system was connected and utilized between Crescent Valley and Eureka for the entire meeting.

APPROVAL OF AGENDA

Chairman Fiorenzi stated he would like to move Natural Resources immediately following public comment, would like to take the Sheriff after approval of the minutes, and delete the Juvenile Probation agenda item, as it is no longer needed. The Chairman noted he will not participate in approval of any items related to the Public Guardian’s office due to his close family relationship to the Deputy Public Guardian. Commissioner Page motioned to approve the agenda with those changes; Commissioner Ithurralde seconded the motion; motion carried 3-0.

PUBLIC COMMENT

The Chairman opened the floor to public comment. Public Works Director, Ron Damele, requested authorization to replace a failed fuel dispensing unit at the Eureka Road Shop; the Board concurred that immediate replacement was necessary and this item will be included on the next agenda for ratification. There were no further public comments.

NATURAL RESOURCES

Newsletter: Jake Tibbitts, Natural Resources Manager, was unable to attend the meeting, but submitted a request to circulate a newsletter encouraging public participation in the Mount Hope Project planning process. Commissioner Ithurralde motioned to approve the newsletter, Plain Talk, with news and views from the Eureka County Commissioners relating to the Mount Hope Project; Commissioner Page seconded the motion; motion carried 3-0.

Eco:Logic Contract: Commissioner Ithurralde motioned to extend the contract with Eco:Logic for a review of the revised Mount Hope Project hydrology model and report, not to exceed \$32,000.00; Commissioner Page seconded the motion; motion carried 3-0.

APPROVAL OF MINUTES

Commissioner Ithurralde motioned to approve the minutes of the April 20, 2010, Commission meeting; Commissioner Page seconded the motion; motion carried 3-0.

EUREKA COUNTY SHERIFF

FLIR Thermal Imaging Cameras: Sheriff Ken Jones stated he has made purchases in the past utilizing the Assessor’s Technology Fund, with approval of the Assessor, but this time he was informed he needed Board approval before purchasing the forward looking infrared cameras. Commissioner Ithurralde motioned to support the purchase of two FLIR thermal imaging cameras and cases from Optics Plant, Inc., in the amount of \$15,922.80 to be paid from the Assessor’s Technology Fund; Commissioner Page seconded the motion; motion carried 2-1. Chairman Fiorenzi voted against the motion, because he questioned how often night vision equipment would actually be utilized.

Out-of-State Travel: Commissioner Page motioned to approve out-of-state travel for Sgt. Kenny Sanders to attend the American Jail Association Training Conference and Jail Expo in Portland, Oregon, May 23rd-27th; Commissioner Page seconded the motion; motion carried 3-0.

Temporary Closure of McCoy Street: Sheriff Jones requested approval to close a portion of McCoy Street on the evening of May 14th for a street dance in conjunction with the annual 'Show What You Brung' Car Show. Commissioner Ithurralde motioned to approve closure of east McCoy Street, between Buel and Main Streets, from 8:00 to 11:00 p.m. on May 14th; Commissioner Page seconded the motion; motion carried 3-0.

CRESCENT VALLEY VOLUNTEER FIRE DEPARTMENT

Installation of Security Cameras: Chief Phil Schmitz reported that security cameras have been installed in the Crescent Valley Fire House building and no further action is needed.

FINANCE

Payment of Expenditures: Expenditures were presented for approval by Recorder & Auditor, Mike Rebaleati. Commissioner Ithurralde motioned to approve expenditures in the amount of \$891,898.75 and payroll in the amount of \$318,744.24, for a total of \$1,210,642.99; Commissioner Page seconded the motion; motion carried 3-0. Commissioner Page motioned to approve Yucca Mountain expenditures in the amount of \$5,939.05; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Auditor's Report: Mr. Rebaleati provided the Auditor's Report for the Board's review.

Cisco Smartnet Agreement: Mr. Rebaleati reported that Kyle Moore, Network Analyst, has renegotiated the networking equipment contracts into one consolidated contract. Commissioner Ithurralde motioned to approve the three-year Cisco Smartnet Agreement for networking equipment in the amount of \$23,023.00; Commissioner Page seconded the motion; motion carried 3-0.

E-Records Forum: Mr. Rebaleati gave an overview of the E-Records Forum he attended April 22nd-23rd, noting that he is working on developing a plan for public records retention for the County. He will provide more details at a future date. Mr. Rebaleati would like to include a paragraph related to records retention in the revised Personnel Policy Manual. The Board cautioned that no additions to the policy would be considered unless they were circulated to the employees prior to the May 17th public hearing to adopt the revised manual.

Annual Meeting of Pool/PACT: Mr. Rebaleati attended the annual meeting of the Nevada Public Agency Insurance Pool and Public Agency Compensation Trust on April 26th-27th. Mr. Rebaleati explained what the County can expect for insurance premium rates for Fiscal Year 2010-2011. Worker's compensation rates overall should go down slightly, but the County's modification rate may experience a slight increase due to an increase in claims over the past year. The property, casualty, and liability insurance rates will increase 15-20%, but the Pool/PACT Board has agreed to absorb this increase, utilizing extra funds received for rates during prior years as a result of the Wells earthquake and the broken dyke in Fernley.

Net Proceeds Meeting: Mr. Rebaleati attended a net proceeds meeting in Carson City on April 30th. Final payments are still being calculated, and significant distributions will be made to the counties in late May. It looks like Senate Bill 62, which provided for prepayment of net proceeds, will sunset in 2013.

BID OPENING – COUNTY COURTHOUSE EXTERIOR PAINTING

Bid Opening: As advertised, bids were received and opened at 10:00 a.m. for the Eureka County Courthouse Exterior Painting Project. Three bids were received as follows:

FIXX Painting Company of Woodland Hills, California, \$391,000.00 for Option A and \$391,000.00 for Option B; Farr Construction Company of Sparks, Nevada, \$191,418.00 for Option A; and Bison Construction of Carson City, Nevada, \$158,000.00 for Option A. Commissioner Page motioned to accept the bids into the record to be reviewed by staff for award later in the day; Commissioner Ithurralde seconded the motion; motion carried 3-0.

CORRESPONDENCE

Correspondence was received from: District Attorney, Ted Beutel (4); Clerk & Treasurer, Jackie Berg; Public Works Director, Ron Damele; Natural Resources Manager, Jake Tibbitts; EMS Coordinator, Mike Sullivan; Fannie Komp Senior Center, Adell Panning; Eureka County Planning Commission; Eureka County Health Insurance Committee; Eureka County Noxious Weed Newsletter; Crescent Valley Town Advisory Board (3); Gloria Sharrow; Meghan Jackson; Connie Hicks; Keith Logan; Carri Wright; Brandi Anderson; Day Engineering; Hyytinen Engineering; Eco:Logic; Galena Group, Inc.; Sierra Nevada Construction; Farr Construction Corp.; Russell Turner Appraisals; news release *'Mt. Hope Water Court Decision Upholds Fairness and Due Process'*; Nevada Assoc. of Counties (3); Nevada Division of Water Resources; Nevada Division of Environmental Protection; Nevada Aging & Disability Services Division; Nevada State Public Defender; Nevada Dept. of Transportation (2); Nevada Dept. of Motor Vehicles; Nevada Dept. of Taxation (2); NDOT Centerline newsletter; Economy in Brief newsletter; National Assoc. of Counties; Univar USA, Inc.; US Dept. of Energy; and US Dept of the Interior-BLM.

WELLS FARGO INSURANCE

Bob Moore, of Wells Fargo Insurance, explained his company is the employees' benefits consultant for the Nevada League of Cities. Mr. Moore reviewed employee medical, dental, vision, and life insurance plans available to the County for Fiscal Year 2010-2011. Some plans had slight increases to the co-pay and out-of-pocket expenses to mitigate a rise in premium rates. The Board thanked Mr. Moore for his presentation.

EUREKA COUNTY HEALTH INSURANCE COMMITTEE

Recommendations for Selected Plans: Kim Todd, Chairperson, provided recommendations for the selected insurance plans for Fiscal Year 2010-2011. The Insurance Committee recommended the alternate plans offered by St. Mary's rather than remaining with the existing plans. County policy is to sponsor a selected medical plan and a selected dental plan and the County will pay the amount of those base premiums towards whichever plan is selected by each employee. Due to the Commissioners' direction the previous year, that employee insurance costs should be paid 100% by the County, the Insurance Committee recommended the HMO plan and dental plan 2, which were the plans with the highest premiums. The Insurance Committee recommended continuing with the shared dependent premium of 70/30 (70% paid by County, 30% paid by employee) for employees hired before July 1, 2009, and the 60/40 split for employees hired after July 1, 2009.

Sponsored Plans and Base Rates: Commissioner Ithurralde motioned to approve the alternative plans as recommended by the Insurance Committee, at a premium increase of 3.12%; Commissioner Page seconded the motion; motion carried 3-0. Commissioner Ithurralde motioned to sponsor HMO 530, dental plan #2, vision plan, and \$30,000 life insurance as selected plans for Fiscal Year 2010-2011; Commissioner Page seconded the motion; motion carried 3-0.

To provide additional clarification, Commissioner Ithurralde later motioned to approve the premium rates for the HMO 530 plan as follows: employee \$586.76; employee+spouse \$1,049.17; employee+children \$1,010.06; employee+family \$1,385.71; and to approve the premium rates for retirees with Medicare as follows: retiree \$465.86; retiree+spouse (spouse without Medicare) \$920.26; retiree+spouse (spouse with Medicare) \$802.65; retiree+children

\$792.60; retiree+family (spouse without Medicare) \$1,206.18; retiree+family (spouse with Medicare) \$1,041.53. Commissioner Page seconded the motion. Motion carried 3-0.

PUBLIC HEARING TO ADOPT AMENDED EUREKA COUNTY ROAD MAP

Notice was given that the Board of Eureka County Commissioners would hold a public hearing at 10:30 a.m. on May 6th to hear public comments and take action to adopt the Eureka County Road Map as revised. Copies of the revised map have been available at the Public Works Department or the County Clerk's office for public review. Raymond Hodson, Road Superintendent, reviewed the additions to the map. Commissioner Ithurralde motioned to adopt the amended Eureka County Road Map as described; Commissioner Page seconded the motion; motion carried 3-0.

ROAD DEPARTMENT

Update on Road Department Activities: Raymond Hodson, Road Superintendent, gave an update on Road Department activities. Blading, gravel hauling, and snow removal continue as necessary. Culverts were cleaned and equipment was moved to the Collingwood pit. Mr. Hodson reviewed southern and northern roads receiving maintenance. Employees completed the defensive driving course, and several attended a Caterpillar class and demo in Winnemucca. Two blades have been sent off for transmission rebuilds.

PUBLIC WORKS

MOU with Nye County: Public Works Director, Ron Damele, explained that the County has entered into this Memorandum of Understanding for the past several years. Nye County pays Eureka County \$1,000.00 for minimal road maintenance to ranches more easily accessed by Eureka crews. Commissioner Page motioned to approve a five-year Memorandum of Understanding with Nye County for minimal road maintenance; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Update on Arsenic Treatment Project: Mr. Damele and Dean Day, Day Engineering, provided a status report on the arsenic treatment plant for the Crescent Valley water system. The right-of-way application has been submitted to the Bureau of Land Management. The treatment plant has been pilot tested, and the most feasible method is absorptive media. There are two components to the project. First, the treatment plant itself will be bid; and second, the remaining pipes, buildings, etc. will be bid for installation around the plant. Chairman Fiorenzi was concerned with the annual operating costs once the plant is built, estimated to be \$82,000.00.

Authorization to Advertise for Bids: Commissioner Ithurralde motioned to authorize Day Engineering to solicit bids for the Arsenic Treatment Plant for the Crescent Valley water system; Commissioner Page seconded the motion; motion carried 3-0.

Appraiser for Klindt Building: Mr. Damele had contacted several appraisers on the approved list, and found that most of them aren't certified to complete commercial appraisals. Russell Turner of Turner Appraisals is a commercial certified appraiser and proposed to complete the appraisal of the Klindt building for a fee of \$1,300.00. There is an agreement between the Klindts and the County to split the appraisal fee, so a letter has been forwarded to the Klindt family for acceptance of the proposal. Commissioner Ithurralde motioned to accept the proposal, contingent upon agreement from the other party to split the \$1,300.00 appraisal fee; Commissioner Page seconded the motion; motion carried 3-0.

Consider Updating General Appraiser Resolution: Mr. Damele placed this item on the agenda because of the difficulty in finding a commercial appraiser, but with Turner Appraisals confirmed as an acceptable commercial appraiser for the County, this update was not needed unless the Board wished to do so. The Board declined at this time.

Engineering Services for Crescent Valley Water System: The Fiscal Year 2010-2011 budget includes several improvements to the Crescent Valley water system and Mr. Damele would like to begin advertising for professional engineering services. Commissioner Page motioned to approve advertising for an engineer for improvements to the Crescent Valley water system during the next fiscal year; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Mosquito Fogger: A mosquito fogger was included in the Fiscal Year 2010-2011 budget, but will be needed before July 1st for mosquito abatement in the Crescent Valley area. Commissioner Page motioned to approve purchase of a London Mosquito Fogger, Model 18-20, in the current year's budget, not to exceed \$10,000.00; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Courthouse Sewer Line Failure and Repairs: Approximately two weeks earlier, there was a sewer blockage at the Courthouse due to the pipe separating and settling. Manual excavation was required to reach the pipe which has since been repaired. The floor of the Courthouse is a slab on grade, so a structural engineer was called in to provide a recommendation for reconstruction. Once repairs are made, non-skid tile will be installed because the unique carpet will be impossible to match. Mr. Damele requested direction from the Board whether the preference was to tile just the repaired area, or to tile the entire hallway and break area. Commissioner Ithurralde motioned to tile the repaired area and leave the remaining carpeting in place; Chairman Fiorenzi seconded the motion; motion carried 2-1, with Commissioner Page voting against the motion.

Eureka Justice Facility Remodel Project: Interior work is nearly completed, and Mr. Damele expects the fencing contractor and electrician to arrive in about a week to finish fencing work and install the gate controller.

Amendment to Nevada Energy Efficiency and Conservation Block Grant: Mr. Damele and Commissioner Ithurralde met the previous week with the Nevada State Office of Energy regarding the recently awarded Nevada Energy Efficiency Grant in the amount of \$188,000.00. Additional funds may be available, and Mr. Damele requested authorization to submit a letter of amendment requesting \$200,000.00. Based on further details provided by the Nevada State Office of Energy, these funds would best be used to make energy improvements to the Road Shop by reinsulating the doors, windows, and HVAC. If there are any remaining funds, electric or fuel efficient vehicles could be purchased for meter reading of the utility systems. Commissioner Ithurralde motioned to submit a letter of amendment requesting an additional \$200,000.00 for the Nevada Energy Efficiency and Conservation Block Grant, and that Public Works proceed with recommended improvements at the County Road Shop; Commissioner Page seconded the motion; motion carried 3-0.

Authorization to Advertise for Bids: One three-axle tractor was included in the current fiscal year budget and another one was included in the upcoming fiscal year budget for the Beowawe Road Shop. Mr. Damele requested authorization to begin advertising for bids. Commissioner Page motioned to approval advertising for bids for two new three-axle tractors to be funded from the Fiscal Year 2009-2010 and 2010-2011 budgets; Commissioner Ithurralde seconded the motion; motion carried 3-0.

RFQs for Radio System Repeater Upgrade Project: Mr. Damele and Stu Cronin, Galena Group, Inc., reviewed responses from the Request for Qualifications for the Radio System Repeater Upgrade Project. Three responses were received and Mr. Cronin recommended that the Board enter into negotiations with Western States Enterprises of Ely, Nevada. The Board agreed to rank the vendors from lowest bid to highest, as follows: #1-Western States Enterprises; #2-Sierra Electronics; and #3-Durham Communications. Commissioner Ithurralde motioned to authorize staff and the consultant to negotiate with the apparent successful bidder, Western States Enterprises, pursuant to the Rules of Preparation

in the Request for Proposals, for the Eureka County Radio System Repeater Upgrade Project; Commissioner Page seconded the motion; motion carried 3-0.

New Water and Sewer Service: Commissioner Ithurralde motioned to approve an application from Gladys Goicoechea for residential water and sewer service at 500 S. Monroe Street in the Town of Eureka; Commissioner Page seconded the motion; motion carried 3-0.

Commissioner Liaison to Main Street Water and Sewer Replacement Project: Commissioner Page motioned that Chairman Fiorenzi would act as liaison to this project, with Commissioner Ithurralde acting as alternate; Commissioner Ithurralde seconded the motion; motion carried 3-0.

COUNTY ENGINEER

Main Street Water and Sewer Replacement Project: Tom Young, Lumos & Associates, reported that the notice to proceed was issued on May 3rd and saw cutting and potholing will begin the first week.

Bid Award - 2010 ARRA Street Maintenance Project: Mr. Young reported that four bids were received at the April 20th meeting, with Sierra Nevada Construction submitting the low bid of \$397,007.00 for the base bid plus four alternates. This is \$13,000.00 over the ARRA grant amount, so Mr. Young suggested that one or more of the alternates can be dropped to make the project come in under the grant amount. Mr. Damele felt the grant should also cover full-time inspection, as it would be difficult for Public Works to provide inspection because of the large project underway in town. Commissioner Ithurralde motioned to award the bid with alternates #1 and #2 for the 2010 ARRA Street Maintenance Project to Sierra Nevada Construction in the amount of \$341,207.00, and that additional grant monies be used for a full-time inspector; Commissioner Page seconded the motion; motion carried 3-0.

AT&T Modifications to New Phone System

Delayed Modifications: Pat Irwin, Account Representative, and Matt Rhodes, of AT&T, spoke with the Board via teleconference regarding delayed modifications to the new phone system. Mr. Rhodes apologized that he had overestimated completion dates for delivery of parts and conversion of the new circuits (originally April 30th). The new estimated completion date is June 4th, although AT&T is working to expedite that and will make weekly status calls to the County until completion.

NEVADA STATE BANK – COMMERCIAL PURCHASING CARD PROGRAM

Overview of Commercial Purchasing Card Program: Dan Dykes and Michelle McDonald of Nevada State Bank gave a presentation regarding the background and features of the commercial card purchasing program available through Nevada State Bank. The card is used similarly to a credit card, but has added controls, such as being able to limit types of purchases and improved tracking of purchases.

Agreement for Purchasing Card Program: Commissioner Ithurralde motioned to approve an agreement with Nevada State Bank with a combined credit limit of \$350,000.00, designating Recorder/Auditor Mike Rebaleati and Treasurer Jackie Berg as account signers, and authorizing the Chairman to sign the agreement outside of the meeting; Commissioner Page seconded the motion; motion carried 3-0.

Proposal to Update Internal Control Policy: Commissioner Ithurralde proposed that Eureka County Code, Title 3, Internal Control Policy, Chapter 30, be updated to include utilization of the commercial purchasing card. Mr. Rebaleati will present the revisions at a future meeting.

RECESS FOR LUNCH

The Board recessed for lunch from 11:59 a.m. to 1:00 p.m.

SENIOR CENTERS

Update Report: Senior Center Site Directors Millie Oram and Adell Panning reported on their respective centers. Meal counts for April were 1,009 at the Eureka Senior Center and 703 at the Fannie Komp Senior Center. Deposits for the month totaled \$12,597.96. The floor repair in the entryway at the Eureka site has been completed. Ms. Panning attended the Northern Nevada Transit Coalition meeting in Elko. She also attended the Nevada Senior Centers Directors Association meeting in Silver Springs where she agreed to continue serving as their Secretary. Ms. Panning plans on attending the National Association of Nutrition & Aging Services Program Conference in Las Vegas June 2nd-4th. The Nevada Aging & Disability Services Division will cover the motel room and conference fees.

Ms. Panning submitted a letter to the Commissioners relaying a recent social service case in Crescent Valley and outlining the need for a Public Administrator in Eureka County.

Notification of Grant Award: Commissioner Ithurralde motioned to approve signing the notification of grant award from the Nevada Aging & Disability Services Division for a supplemental nutrition grant in the amount of \$2,285.00; Commissioner Page seconded the motion; motion carried 3-0.

RECESS FOR DEVIL'S GATE GID MEETING

The Board recessed for the Devil's Gate GID meeting.

AMBULANCE AND EMS

Ambulance Bill Write-Offs: Commissioner Page motioned to approve ambulance bill write-offs for patient #2006468 in the amount of \$65.00; patient #2006469 in the amount of \$65.00; and patient #2006477 in the amount of \$0.50; Commissioner Ithurralde seconded the motion; motion carried 3-0.

NEVADA HEALTH CENTERS, INC.

Update on Provider Recruitment: Liliam Shell, Administrative Operations Coordinator, provided an update on provider recruitment for Eureka County. There are two physicians interested in the vacant position, and initial interviews have been conducted, but due to prior commitments neither is available until 2011. Dr. Carl Heard has agreed to extend his temporary coverage in Eureka to August 2010. Dr. Jocelyn Deguzman will continue at the Crescent Valley Medical Clinic on Wednesdays and an APN (Advanced Practical Nurse) has been covering Mondays. Recruitment efforts continue for the additional Physician Assistant or Nurse Practitioner.

Amendment to Nevada Health Centers Contract: The Board and Ms. Shell discussed the option of amending the contract to address times when the agreed upon level of provider coverage is not met. Ms. Shell relayed that Tom Chase requested that the language not restrict expected absences for vacation, sick leave, and continuing medical education. The District Attorney explained that the amendment proposes that Nevada Health Centers provide an explanation for any decrease in provider services when the monthly invoice is submitted; if the decrease is due to normal absences for sick leave, vacation, or continuing medical education it can simply be explained, but if the decrease is a lack of provider days, NVHC should adjust their invoice amount accordingly. Ms. Shell asked if the provider days in Crescent Valley had to be specific days of the week. Mr. Beutel explained that the new contract language doesn't specify days, but requires three days per week beginning July 1st. Chairman Fiorenzi stated he hoped that Nevada Health Centers would attempt to be consistent with the days scheduled.

Commissioner Ithurralde motioned to amend the existing contract to provide for a price reduction from Nevada Health Centers, Inc. when the level of provider services as outlined in

the contract is not met, and that this also be included in the new contract for Fiscal Year 2010-2011; Commissioner Page seconded the motion; motion carried 3-0.

Monthly Report - Crescent Valley Medical Clinic: Chairman Fiorenzi stated the Board had received reports that providers at the Crescent Valley Clinic weren't consistent about staying for the allotted time. In order to resolve this, the Commissioners would like to receive monthly reports. Commissioner Ithurralde made a motion requesting monthly reports from Nevada Health Centers detailing provider dates and times at the Crescent Valley Medical Clinic, to begin from the present date forward; Commissioner Page seconded the motion; motion carried 3-0.

EUREKA MEDICAL CLINIC

Update on Eureka Medical Clinic: Duane "Duke" Gibson, Physician Assistant, stated he would like to come to the Commissioner meetings on a regular basis to give updates on the Eureka Medical Clinic. Occasionally items are misreported around the community or in the newspaper, so PA Gibson felt the Commissioners' meetings would be a good venue to provide accurate updates. A recent change at the clinic was installation of a new phone system, and although some members of the community don't care for the automated system, it does provide a service by offering several options to the caller, including direct access to the billing office in Carson City. Anyone wishing to bypass the automated system can simply press "zero" and the call will be answered by staff at the local clinic. The Board thanked Mr. Gibson and commented that the regular updates were a good idea.

CRESCENT VALLEY TOWN ADVISORY BOARD

Board Vacancies: Crescent Valley Town Advisory Board member, Kollene Schwartz reported that advertising continues for the current board vacancies, with no response. Regarding vacancies for the next two-year term on the CVTAB, Chairwoman Gloria Sharrow has indicated she is interested in serving and has submitted a letter of interest.

Appointment of Gloria Sharrow: Commissioner Page motioned to appoint Gloria Sharrow to the Crescent Valley Town Advisory Board for the two-year term commencing on January 1, 2011; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Review County Ordinance in Relation to Crescent Valley Water System: District Attorney, Ted Beutel, reviewed the section of the Eureka County Code regarding the Crescent Valley water system. Specifically, water may be obtained at the water spigot located at 528 5th Street in Crescent Valley, from 8:00 a.m. to 4:00 p.m., Monday through Friday, except holidays, at the rate set for residential service, by contacting the Public Works office. Mr. Beutel noted that several items on the day's agenda contemplate action that would be in violation of the current ordinance, and advised that if the Board desires to move forward with some of the items, they should first consider amending the ordinance.

Estimated Cost for After-Hours Dispensing Unit for Crescent Valley Water System: Public Works Director, Ron Damele, provided further information regarding the 'offline' water service. There are currently 13 customers receiving water without online service; from April 2009 to April 2010 this service generated \$3,665.69 (\$216.42 of which is currently delinquent); and the ordinance stipulates that this offline water service is available to residents of Crescent Valley. Mr. Damele cautioned that Public Works should be available when this water is being dispensed. As requested, a quote was obtained from LA Perks for a unit for distribution of water after business hours utilizing a card reader and pre-paid customer cards. The cost for this unit is \$16,588.00.

Recommendation from CVTAB: Kollene Schwartz, CVTAB Member, reported that the CVTAB felt something should be done but felt an after-hours system might be difficult to manage; ultimately the CVTAB wished to leave it up to the Commissioners to determine the best solution.

Table Items Related to After-Hours Water Dispensing System: Mr. Damele has requested a legal opinion from the County's water attorney and the Board decided to delay action on all items related to installation of an after-hours water dispensing unit for the Crescent Valley water system until the legal questions are answered.

Meeting Updates for CVTAB: At the April 15th meeting it was suggested that communication between the two boards could be improved if written updates were provided to the CVTAB regarding items of interest to Crescent Valley. Commissioner Ithurralde motioned to direct the Clerk to provide these written updates following all regular Commissioner meetings; Commissioner Page seconded the motion; motion carried 3-0.

CITIZEN REQUEST FOR CEMETERY IN DIAMOND VALLEY

Andy Marshall, Diamond Valley citizen, and Ellen Rand, Diamond Valley citizen and Chairwoman of the Planning Commission, were present to find if the County had any interest in supporting acquisition of a tract of land from the Bureau of Land Management for creating a cemetery in Diamond Valley. Mr. Marshall felt there was a public need, that this was something the citizens of Diamond Valley wanted, and once established it would be very low maintenance. After a lengthy discussion, the Board suggested that Mr. Marshall form an organization or committee that would oversee and maintain the cemetery and not obligate the County to future maintenance costs. If there was enough interest to accomplish this, the County would probably be willing to assist in acquiring the land from the BLM.

EUREKA COUNTY ASSESSOR

Assessor's Technology Fund: County Assessor, Michael Mears, requested direction from the Board regarding how much involvement they wanted regarding purchases made from the Assessor's Technology Fund. Statute provides that the Assessor is the administrator of the fund and purchases must meet certain criteria and be approved by the Assessor. Most departments in the County have utilized the fund at one time or another, with some presenting their requests to the Commissioners as well as the Assessor, while others have only gone through the Assessor. Mr. Mears felt it would be more equitable if the County identified a standard and then required all departments to adhere to the same process when utilizing these funds. Mr. Mears proposed that departments submit their requests directly to the Assessor who in turn will present the request to the Commissioners. Everyone agreed that Commissioner approval wasn't required, but it served the purpose of informing the public of how these funds were being spent. Commissioner Ithurralde motioned that all requests for expenditures from the Assessor's Technology Fund be presented to the Assessor, and the Assessor (not the department head) will bring the request before the Commissioners in order to make the purchases transparent to the public; Commissioner Page seconded the motion; motion carried 3-0.

Oblique Aerial Imagery: Mr. Mears gave a brief presentation on the benefits of oblique aerial imagery, which he proposed purchasing with the Assessor's Technology Fund. Commissioner Ithurralde motioned to support the purchase of oblique aerial imagery from Pictometry at a total cost over two years of \$76,000.00; Commissioner Page seconded the motion; motion carried 3-0.

EUREKA COUNTY HUMAN RESOURCES

Monthly Report: Human Resources Analyst, Jerry Larson, reported on activities over the past month. He attended a class on internal investigations, held the final focus meetings regarding personnel policy changes, draft manuals have been distributed to all employees, and the secretary position for the Fair Board has been reposted since a quorum of the board was not present when the candidate was selected.

Benefits for Employees on Leave: Mr. Larson requested that the Commissioners set time limits on County-paid medical insurance premiums for employees on various types of leave, and provided recommendations based on researching benefits provided by other counties and the State. Commissioner Page motioned to set a time limit of nine months for County-paid medical insurance premiums for employees on Worker's Compensation leave; Commissioner Ithurralde seconded the motion; motion carried 3-0. Commissioner Ithurralde motioned to set a time limit of 120 days for County-paid medical insurance premiums for employees on other types of leave (other than Worker's Compensation) and that Mr. Larson clarify the language regarding this in the Personnel Policy Manual; Commissioner Page seconded the motion; motion carried 3-0. During discussion of these benefits, the Board also agreed that FMLA (Family Medical Leave Act) will run concurrently with other types of leave.

Sick Leave Bank Options: The sick leave bank has been discussed several times and the most common request heard from employees is to have the ability to choose the recipient of their donated sick leave. This raised the possibility of eliminating the sick leave bank and replacing it with an individual program. After giving this some thought, Mr. Larson recommended that both options be included as separate policies. Commissioner Page motioned that both sick leave donation options be included in the Personnel Policy Manual as separate sections; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Consider Changes to Retirement Buy-Out Option: During the focus meetings, a request came from some employees for the County to remove the employee 'match' requirement from the retirement buy-out option. After a brief discussion, Commissioner Page motioned to leave the policy in place 'as is' with the required employee 'match'; Commissioner Ithurralde seconded the motion; motion carried 3-0.

EUREKA COUNTY CLERK & TREASURER

March Treasurer's Report: The Treasurer's Report was provided by Clerk & Treasurer, Jackie Berg, for the Commissioners' review. The ending balance for the month of March was \$57,615,834.33.

EUREKA COUNTY FAIR BOARD

Letters of Interest: The Board reviewed letters of interest for the vacant seats on the Fair Board. Commissioner Ithurralde motioned to appoint Brandi Anderson and Carri Wright to the Fair Board; Commissioner Page seconded the motion; motion carried 3-0.

BID AWARD – EUREKA COUNTY COURTHOUSE EXTERIOR PAINTING PROJECT

Public Works Director, Ron Damele, reported that three bids were received earlier in the day. Bids have been reviewed by staff and their recommendation is to award the bid to the lowest responsive bidder, Bison Construction. Commissioner Ithurralde motioned to award the bid for the Eureka County Courthouse Exterior Painting Project to Bison Construction in the amount of \$158,000.00; Commissioner Page seconded the motion; motion carried 309.

COMMISSIONERS

Commissioner Update Reports: The Commissioners reported on activities since the last meeting: Commissioner Page attended a meeting with legal counsel in Reno on April 26th; a CORE (corridor of renewable energy) meeting in Winnemucca on April 29th-30th; and met with the District Attorney on May 3rd. Commissioner Ithurralde traveled to Carson City with the Public Works Director on April 23rd for meetings with Nevada Department of Transportation and Nevada State Office of Energy; the meeting in Reno with counsel on April 26th; an employee focus meeting on April 28th; met with Tim Arnold of Eureka Moly on May 3rd; and had meetings with several staff members. Chairman Fiorenzi also attended the

meeting with legal counsel in Reno on April 26th; the NEPA Committee meeting on April 28th; and met with Tim Arnold of Eureka Moly.

Questions for Annual Visit with NDOT: The Nevada Department of Transportation comes before the Board annually to give a presentation on their annual work plan and projects of interest to Eureka County. They are currently scheduled to attend the June 21st meeting. Commissioner Ithurralde motioned to have Public Works document questions and requests of County interest to be discussed during the annual presentation, and to forward these to NDOT in a letter; Commissioner Page seconded the motion; motion carried 3-0.

Breakdown of Costs Related to Mount Hope Project EIS and NEPA Process: Natural Resources Manager, Jake Tibbitts, reported that money spent by Eureka County to date on the Mount Hope Project EIS process totals \$1,237,930.00. This includes technical experts, as well as staff time and resources. The amount spent for water research and studies totals \$741,950.00. The water studies were implemented before the Mount Hope EIS began, but were enhanced and broadened directly related to the proposed Mount Hope Project. An additional \$558,575.00 is obligated for continuing water studies. Chairman Fiorenzi added that the bulk of the water studies have been funded with Barrick mitigation money. Mr. Tibbitts inquired how often the Board would like to receive updates on these costs. The Board requested that this be placed on the next agenda, so that formal direction may be given.

Updates on Participation in Mount Hope Project EIS and NEPA Process: Mr. Tibbitts reported that the revised hydrology report and model were received the day before and forwarded to the technical experts at Eco:Logic for review. A meeting is scheduled at the Battle Mountain BLM office on May 25th to go over changes in the report. The County just received the SLERA (screening level ecological risk assessment) related to the geochemistry, and that will be reviewed as well. The next NEPA Committee meeting is scheduled for May 13th.

Status of Water Litigation, Settlement Agreement, Etc.: Chairman Fiorenzi said the original intent of this agenda item was to discuss what direction the County wished to take with the settlement agreement, but since District Court has remanded the case back to the State Engineer, this may be a mute point. The State Engineer has scheduled a pre-hearing conference for the case on May 24th and all Commissioners plan to attend. Commissioner Ithurralde motioned to post a notice of attendance informing the public that the Commissioners will attend the pre-hearing conference in Carson City on May 24th; Commissioner Page seconded the motion; motion carried 3-0.

Tim Arnold, General Manager of Eureka Moly, commented that the case had been remanded back to the State Engineer on a procedural issue, and didn't really have anything to do with the use of Kobeh Valley water for mining and its impact on Diamond Valley water. The recently updated water model was prepared utilizing the best science available and Eureka Moly believes it has a high degree of reliability. They feel there is no reason to expect that the State Engineer will rule any differently than he did in the original hearing (Ruling #5966); and therefore are open to negotiating with the County for a mutually agreeable solution. Eureka Moly and the County have both spent a lot of time, effort, and money arguing this point and Mr. Arnold didn't feel it was in anyone's best interest to repeat the process. Eureka Moly stands by any offers made in the past and is willing to work with the County to alleviate any concerns.

The Board responded that they didn't want to discuss water issues until they meet with the attorney, but are willing to discuss or negotiate other items, such as the Eureka Canyon Subdivision, housing, and net proceeds. Commissioner Page motioned to table discussions or action regarding water related issues until after the meeting with legal counsel on May 24th; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Anticipated Impacts Related to New Mining Activity: Chairman Fiorenzi placed this item on the agenda because he felt it was time that the Board consider and start planning for

impacts related to two new mines preparing to go into production in the near future (Mount Hope molybdenum mine and the smaller Rocky Mountain Resources vanadium mine). The Chairman relayed several areas of concern that will be greatly impacted by the increase in population including housing, the service industry, infrastructure, traffic and transportation, emergency services, public safety, law enforcement, etc. Addressing these impacts needs to be a concerted effort between the County and the mines.

Mr. Arnold stated that Eureka Moly wants to cooperate with the County in every way to diminish these impacts, and this has been their position from the beginning. Chairman Fiorenzi suggested having the EIS Coordinator compile information and estimates as a planning tool for the Commissioners to begin addressing these anticipated impacts. Commissioner Ithurralde motioned to go forward with the Chairman's suggestion of having the EIS Coordinator compile this information; Commissioner Page seconded the motion; motion carried 3-0.

PUBLIC COMMENT

The Chairman called for public comment. Zach Spencer, External Communications Manager for Eureka Moly, invited the Board, County staff, and the community to attend Eureka Moly's Open House luncheon on Wednesday, May 19th, from noon to 1:00 p.m. Eureka Moly will present the results of a community phone survey as well as an update on their annual stockholder's meeting which was recently held in Colorado.

There were no further public comments.

ADJOURNMENT

Commissioner Page motioned to adjourn the meeting at 4:32 p.m.; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Approved this 7th day of June, 2010.

/s/ Leonard Fiorenzi

Leonard Fiorenzi, Chairman

Attest: /s/ Jackie Berg

Jackie Berg, Clerk