

EUREKA COUNTY BOARD OF COMMISSIONERS
December 20, 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 December 20, 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 that item #5 under the 'Finance' section of the agenda, related to budget augmentations, would be tabled to the next meeting. Commissioner Ithurralde motioned to approve the agenda with that change; Commissioner Page seconded the motion; motion carried 3-0.

PUBLIC COMMENT

Chairman Fiorenzi called for public comments. Hearing none from the audience, the Chairman thanked all of the staff and consultants who worked so hard preparing for the recent water hearing at the Division of Water Resources in Carson City, specifically commending the Natural Resources staff. He added that the County was also well represented at the recent Mt. Hope Project EIS meeting in Battle Mountain and thanked Natural Resources and the NEPA Committee volunteers.

FINANCE

Payment of Expenditures: Expenditures were presented for approval by Mike Rebaleati, County Recorder & Auditor. Chairman Fiorenzi noted he would abstain from voting on Public Guardian payments because he is related to the Deputy Public Guardian. The Board briefly discussed the expenditures noting there were some large contractor payments. The Board agreed to ask the Fair Board for clarification on some travel vouchers, since they were scheduled later in the day. Commissioner Ithurralde motioned to approve expenditures in the amount of \$1,138,742.86 pending clarification on the Fair Board travel expenses; Commissioner Page seconded the motion; motion carried 3-0. Commissioner Page motioned to approve Yucca Mountain expenditures totaling \$5,209.33; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Auditor's Report: Mr. Rebaleati presented the Auditor's Report for review, indicating that an adjustment will be made because some contractor payments charged against the Eureka Water Improvement Fund should have been paid in part from the Eureka Sewer Improvement Fund.

County Cell Phone Policy: Mr. Rebaleati explained he was in negotiations with AT&T regarding phones and voice and data plans appropriate to the different County departments. Based on the new rates, he felt it would be most cost effective for the County to issue phones to employees requiring cell service and to eliminate the current policy that allows a \$20.00 per month stipend to employees who use personal phones for County business. Phones with voice plans can be issued for \$15.59/month and phones requiring data plans will be \$35.09/month. Sheriff Ken Jones asked for clarification because of an earlier consideration of assigning phones

to vehicles with the restriction that they could not leave the vehicle. Law enforcement and safety issues necessitate that Sheriff's Office employees carry the phones with them. Mr. Rebaleati clarified that his recommendation of issuing phones to individual employees would eliminate that restriction.

Changes to the personnel policy require that the Board first propose the change, followed by notification to employees, and lastly schedule a public hearing to allow employee input before the Commissioners adopt or reject the proposed change. Commissioner Ithurralde motioned to propose changing the current cell phone policy by removing the option of a \$20/month stipend and returning to issuance of County cell phones where required; Commissioner Page seconded the motion; motion carried 3-0.

AT&T Cell Phone Agreement: Commissioner Ithurralde motioned to accept the AT&T cell phone agreement as outlined and to appoint Mr. Rebaleati as the point of contact for the cell phone contract; Commissioner Page seconded the motion; motion carried 3-0.

Tentative Date for Budget Workshop: Mr. Rebaleati suggested setting the first budget meeting/workshop in January, recommending a half-day session. After some discussion, Commissioner Ithurralde motioned to schedule the first budget meeting for January 21, 2011, beginning at 8:00 a.m.; Commissioner Page seconded the motion; motion carried 3-0.

COMMISSIONERS

Update Reports: All Commissioners attended the water hearing in Carson City the week of December 6th-10th. Commissioner Page attended the special Liquor Board meeting on December 16th; met with the architect regarding the Crescent Valley Town Park redesign on December 17th; and spoke with the owner of Sam's Corner Store in Crescent Valley about his consideration of relocating the Post Office to his store.

Commissioner Ithurralde met with Governor-Elect Sandoval and his staff on December 8th; participated in a teleconference for NACO's Public Lands National Resource Committee on December 14th; met with Nevada Rural Housing Authority on December 15th; and accepted a \$3,000.00 donation from Andy Cole, General Manager of Barrick Ruby Hill Mine, for the new climbing wall to be installed at the swimming pool.

Chairman Fiorenzi attended the Mt. Hope Project EIS and NEPA comment meeting in Battle Mountain on December 15th; attended the Core Group meeting with Nevada Rural Housing Authority for the Eureka Canyon Subdivision on December 16th; and attended a NEPA Committee meeting, also on December 16th.

National Radon Action Month: Per a request from the Nevada Radon Program, the Board considered a proclamation regarding the dangers associated with radon emissions. Commissioner Page motioned to adopt the Proclamation naming January 2011 as National Radon Action Month in Eureka County; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Training Proposal for Fire Departments: A suggestion was put forth by Commissioner Page to utilize Eureka County Battalion Chief, Sam Hicks, for additional Fire Department training during Mr. Hicks' required furlough days from Nevada Division of Forestry. Ron Damele relayed that Chief Hicks spoke with State Forester, Pete Anderson, who recommended holding off until the legislature meets in 2011 since other options may be forthcoming. Commissioner Ithurralde motioned to table action on this item as recommended; Commissioner Page seconded the motion; motion carried 3-0.

Letter to Federal Aviation Administration: At the previous meeting, County Engineer, Tom Young, reported that an on-site review of the Eureka Airport had been conducted by the FAA sometime back, and all that remained to establish a GPS approach was the required publication of procedures. At the Board's request, Mr. Young drafted a letter encouraging the FAA to expedite publication to complete designation of the GPS approach. Mr. Young submitted the draft letter for review. Commissioner Page motioned to approve sending the letter to the FAA

encouraging establishment of the GPS approach at the Eureka Airport, and authorized the Chairman to sign it outside of the meeting to allow for some minor corrections; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Update on Mt. Hope Project EIS and NEPA Process: Natural Resources Manager, Jake Tibbitts, reported that the three-day comment meeting held recently at the BLM Field Office in Battle Mountain was successful in getting several of the County's concerns addressed. In other areas, the BLM and the County had to 'agree to disagree', especially in the area of air quality where the County felt the EIS fell short in addressing air quality issues and impacts. Additionally it became clear at the meeting that implementation of mitigation efforts can take three years or longer, because the mitigation itself requires NEPA analysis. Therefore, something needs to trigger mitigation planning earlier in the EIS and NEPA process. The Board again thanked Natural Resources and the NEPA Committee members for all of their efforts.

PUBLIC WORKS

AquaClimb Wall for Eureka Swimming Pool: Public Works Director, Ron Damele, stated that a climbing wall for the swimming pool was first discussed during the budget meetings. Cindy Adams, Parks, Recreation & Facilities Director, has worked hard to secure some very generous donations locally - \$3,000.00 from Barrick Ruby Hill Mine, \$2,400.00 from General Moly, and \$6,000.00 from the Eureka County Recreation Board. Commissioner Page asked if the wall added liability risks that might increase insurance costs. Commissioner Ithurralde motioned to approve purchasing an AquaClimb Wall for the Eureka Swimming Pool, not to exceed \$22,000.00, adding thanks to Ruby Hill Mine, General Moly, and the Recreation Board for their generous donations; Commissioner Page seconded the motion; motion carried 2-1 with Commissioner Page voting against the motion.

Award Filter Contract: Mr. Damele explained that quotes were obtained from two vendors for the filter contract for Fiscal Year 2011, as follows: C&B Auto in the amount of \$1,598.03 and NAPA Auto in the amount of \$1,773.94. Commissioner Ithurralde motioned to accept the bid from C&B Auto in the amount of \$1,598.03; Commissioner Page seconded the motion; motion carried 3-0.

Main Street Water & Sewer Project: The contractor, Sierra Nevada Construction, wrapped up work the previous week for the winter. They will return in the spring to complete punch list items that include Main Street patching, sealing, and striping. Notices will be mailed to each water customer notifying them of the status of the project and asking that the County be notified if there were any unresolved impacts to their property related to this construction.

Reduction of Project Retention: The retention amount for the Main Street Water & Sewer Project was \$400,000.00, which is well above what is needed to cover the remaining work to be completed in the spring. Mr. Damele, Mr. Young, and Sierra Nevada Construction have negotiated a retention amount of \$250,000.00. Commissioner Ithurralde motioned to approve reducing the retention amount on the Main Street Water & Sewer Project to \$250,000.00; Commissioner Page seconded the motion; motion carried 3-0.

Devil's Gate GID Water Tank & Transmission Line Project: This project also shut down for winter the previous week. The 16-inch transmission main, some 12-inch line, and pressure reducing valves have been installed. The tank is welded and nearly complete. The contractor will return in the spring to complete the project.

Crescent Valley Well Drilling Project: Advertising for bids on this project has been postponed until the right-of-way is granted from the BLM, which is expected in approximately 60 days. The tentative bid date is now February 22, 2011.

SWIMMING POOL / PARKS / RECREATION

Update Report: Cindy Adams, Parks, Recreation & Facilities Director, reported on activities over the past month. There were a total of 310 swimmers including participants in

exercise, lap swimming, and birthday parties. The swimming lessons that had to be cancelled the previous month due to maintenance issues were rescheduled and have been completed. More swimming lessons and an American Red Cross Lifeguard Instructor class are scheduled (which will have participants from Tonopah, Wells, and McGill).

The buildings and grounds crew installed the Christmas decorations on Main Street and completed a thorough cleaning and floor waxing of the Eureka Fire Station. They will continue to clean the administrative portion of the Fire Station once a month (and following events), but will not disturb the equipment area. In addition to snow removal, off-season cleaning and maintenance is being done throughout County facilities on areas such as boiler rooms, etc. Ms. Adams thanked and commended the sponsors who generously donated towards the purchase of the AquaClimb Wall for the swimming pool.

COUNTY ENGINEER

Main Street Water & Sewer Project: Tom Young, Lumos & Associates, stated that notice of completion was published for the first half of the Main Street Water & Sewer Project. Finishing work on Main Street will be the top priority next spring with a goal of completing the micro seal before the July 4th holiday.

Change Order #18 (FA) on Main Street Water & Sewer Project: Mr. Young explained that a slurry seal over Main Street was originally planned, but Nevada Department of Transportation would not allow that. They were going to require open grade until the contractor agreed to a two-year warranty (instead of the standard one-year) on the micro seal. NDOT is also requiring that it be applied to a larger area than in the original bid, so a change order utilizing force account funds was requested to cover this additional amount. In the long run, the curb to curb seal on the full length of Main Street will result in a better finished product. Commissioner Ithurralde motioned to approve Change Order #18 in the amount of \$25,020.00; Commissioner Page seconded the motion; motion carried 3-0.

Mr. Young added that the construction cost is still \$75,000.00 below contract amount; and the engineer expense is about \$50,000.00 below contract amount.

AMBULANCE & EMS

Update Report: EMS Coordinator, Mike Sullivan, reported on emergency activities over the past month. Eureka had 12 calls for service (131 year-to-date) and Crescent Valley had seven calls for service (86 year-to-date). Mr. Sullivan reviewed volunteer staffing levels for both services. Continuing education is scheduled in Eureka on December 27th and January 3rd, and in Crescent Valley on December 30th and January 6th. A future EMT course is planned in Crescent Valley, since none of the volunteers signed up for the course through Great Basin College. Mr. Sullivan commended the volunteers for their response to a serious traffic accident on State Route 278 on December 19th, involving five victims. All three ambulances responded with all available personnel, including Dr. Carl Heard, PA Duane 'Duke' Gibson and PA J. Brian Allen from the clinic.

COUNTY FACILITIES & ECONOMIC DEVELOPMENT

Update Report: Wally Cuchine, Cultural, Tourism & Economic Development Director, stated that all scheduled Christmas parties at the Opera House are over. A concert/recital was scheduled for that evening with Carolyn Olsen's music students and the Community Coalition has scheduled a kids' party on New Year's Eve. Business as usual continues at the Sentinel Museum and with Economic Development.

Track Lighting: Mr. Cuchine requested approval for installation of track lighting in the Gallery Hall of the Courthouse. The cost will be covered from the exhibits category in the museum budget. Commissioner Ithurralde motioned to accept the quote from West Nevada

Electric and to approve installation of track lighting in the Gallery Hall of the Courthouse, not to exceed \$9,000.00; Commissioner Page seconded the motion; motion carried 3-0.

NEVADA RURAL HOUSING AUTHORITY

Update on Eureka Canyon Subdivision: David Craig, Director of Real Estate for Nevada Rural Housing Authority, introduced Roger Mancebo, NRHA Board member for over 20 years and past Pershing County Commissioner. Gary Longaker, NRHA Executive Director, was also present. Mr. Craig informed the Board that Ron Damele submitted the tentative subdivision map to the state and approvals are forthcoming. He then provided an update on the financing and timing issues related to purchase of 50 Guerdon townhome units, reiterating that the feasibility study showed an immediate need for 80 apartment units and up to 30 single family homes, regardless of whether the Mt. Hope Project materializes or not.

Temporary Financing Options: At this point, Jack White joined the meeting via telephone and reviewed details of the negotiations for the townhome units. Textron, the original lender, gave 90 day notice to Guerdon that they were calling the \$2.1 million note on the townhome units, with a call date of January 1, 2011. NRHA negotiated a purchase price of \$1.5 million for the units if funding is in place by the end of the year. NRHA has identified three options available to either move forward or scrap the deal altogether.

Option A: Option A is basically a loan guarantee by the County. Downey Capital Corporation has four possible lenders for a high-risk short-term (120 day) loan at an interest rate of 24% and the County would guarantee the loan payoff at the end of the four month period. Total cost of this option is \$1.5 million in principal plus substantial fees in the form of interest, consulting, administration, and other loan fees payable to Downey Capital Corporation, JL White & Associates, NRHA, and the lender. The total cost of this option is \$1,929,209.00.

Option B: Option B is a recoverable grant with funds advanced to NRHA by the County. Total grant amount is \$1.7 million broken down as follows: the \$1.5 million purchase price; \$126,500.00 in interest (5% for 18 months) payable to Eureka County; and the remaining \$73,500.00 in consulting, administration, and other fees to Downey Capital Corporation, JL White & Associates, and NRHA. This option includes an 'opt out' feature for the County, whereby they can decide not to place the apartment units at the Eureka Canyon Subdivision and NRHA must find an alternate buyer and pay back the grant amount to the County.

Option C: Option C considers dropping out of the townhome deal altogether, placing Eureka County and NRHA back at the 'drawing board' in regards to the multifamily portion of the subdivision. This option carries with it a whole gamut of design costs, financing issues, and added construction costs as opposed to acquiring prefabricated units. This would also mean losing the considerable discounts negotiated in the Guerdon deal, and adding substantial delays in the timeline for completion of the apartment complex.

Best Option for Eureka County: Chairman Fiorenzi relayed the dilemma the Board faced because of an obligation and stated commitment to the public to keep them informed before proceeding on the subdivision project, and the very real consequence of losing out on the benefits associated with the Guerdon deal by not taking immediate action. Following detailed discussion and debate, the Board concluded that Option B best served the County's interests, while still allowing an 'opt out' alternative should the public be strongly opposed to this action once it is presented in a public meeting. Commissioner Ithurralde motioned to move forward with Option B for a \$1.7 million grant to NRHA with a 5% annual interest rate; that the District Attorney draft a letter of commitment to be signed by the Chairman outside of the meeting; and that this action be ratified at the next meeting. Commissioner Page seconded the motion; motion carried 3-0.

HUMAN RESOURCES

Report on Candidate Interviews: Human Resources Analyst, Jerry Larson, stated the Selection Committee completed their interviews of the four candidates for the Cultural, Tourism & Economic Development Director position on December 17th. A candidate was selected for recommendation to the Board along with a proposed salary of \$55,000.00. The recommended candidate was Andrea Rossman from Fallon, Nevada.

Chairman Fiorenzi commented that the personnel policy states Eureka County will work with its employees for advancement and he didn't understand why the recruitment was expanded when there was a qualified 16-year employee on staff. The Chairman stated when this comes back before the Board, he would like to know if that employee received unsatisfactory evaluations.

Commissioner Ithurrealde stated his thanks to the five members who served on the Selection Committee and Mr. Larson stated he will be sending letters of appreciation.

EUREKA COUNTY FAIR BOARD

Request Fairgrounds Coordinator Position: Fair Board members, Carrie Dubray and Brandi Anderson, came before the Board to request that the County consider hiring a Fairgrounds Coordinator or possibly combine these duties with the Fair Board Secretary or other existing employee. Chairman Fiorenzi felt it would be appropriate to present this during the upcoming budget workshops.

Commissioner Ithurrealde asked about the travel vouchers that the Fair Board had submitted. Ms. Dubray explained that two members were sent to Las Vegas to recruit vendors and additional entertainment for the Fair.

KAFOURY ARMSTRONG & COMPANY

Fiscal Year 2010 Audit and Comprehensive Annual Fiscal Report: Jerri Norton, Auditor, reported on the recent annual audit and provided copies of the extensive written report which contained the audit opinion and detailed financial analysis for the year ending June 30, 2010. Ms. Norton touched on some of the year's highlights and directed the Board to areas in the report that they may want to review in more detail outside of the meeting. The County's capital assets increased by about \$5 million over the previous year; this was mostly accounted for by improvements to the airport, water systems, and roadways. Total revenues for the fiscal year were \$29 million, a decrease of approximately \$3 million from the previous year, mostly accounted for by a \$4 million drop in net proceeds. Spending was up about \$3 million over the previous year, due to some large capital projects and intergovernmental grants to sub-entities such as the Town of Crescent Valley and the Television District. Ms. Norton reviewed the spending trends of the County over the past several years. Net fund balance was down \$2.3 million from the previous year, which had been higher than usual, so it was basically back to status quo. In balancing overall assets and liabilities, the County still came out with a \$5.6 million increase in net worth.

The County was the recipient of federal grants for two different projects during Fiscal Year 2010, which required a more extensive audit, termed a 'single audit'. Ms Norton explained that federal monies have additional criteria and one of the requirements is checking a procurement, suspension, and debarment list before awarding contracts. Ms. Norton recommended that the County appoint a responsible party to complete this check on any future projects funded with federal grants.

Auditor Engagement Letter: Mike Rebaleati explained that the Board signed a three-year engagement letter the previous year, but the Department of Taxation likes to see an annual appointment, and that is why this request was placed on the agenda. Commissioner Ithurrealde motioned to approve appointing Kafoury Armstrong & Company as independent auditors for

Fiscal Year 2011, and authorized the Chairman to sign an engagement letter outside of the meeting; Commissioner Page seconded the motion; motion carried 3-0.

RECESS FOR LUNCH

The Board recessed for lunch from 12:00 noon to 1:00 p.m.

DIGITAL X-RAY / EUREKA MEDICAL CLINIC

The Board reconvened at 1:00 p.m. at the Eureka Medical Clinic to examine the new digital x-ray equipment and then returned to the meeting room at the County Courthouse.

Utilization of Digital X-ray Equipment: Nevada Health Centers, Inc. had raised concerns over the confidentiality of transmitting the digital x-ray images and patient information via the internet. NVHC management directed staff at the Eureka Medical Clinic to discontinue use of the equipment until an encryption program is in place. Additionally, NVHC asked Eureka County to sign a Memorandum of Understanding outlining the roles and responsibilities of all involved parties, since Eureka County acts as the internet service provider. District Attorney, Ted Beutel, explained that the County has no control over, or access to, what is transmitted, so he would be concerned about the County entering into an agreement of that nature. After further discussion, Commissioner Ithurralde motioned to have the Chairman, the District Attorney, and the Public Works Director speak with Tom Chase, Chief Executive Officer of NVHC, regarding this issue; Commissioner Page seconded the motion; motion carried 3-0.

CORRESPONDENCE

Correspondence was received from: District Attorney, Ted Beutel (2); Eureka County Economic Development Program (2); Eureka County Recreation Board; Crescent Valley Town Advisory Board (6); Abby Johnson; Public Policy Innovations, Bjorn Selinder; Allison, MacKenzie, et al; Eureka MolyBits; Woodburn & Wedge; Nevada Rural Housing Authority; West Nevada Electric; Nevada State Public Defender; Nevada Water Resources Assoc.; Nevada Gaming Control Board; Nevada Dept. of Motor Vehicles; Nevada Div. of Environmental Protection (3); Nevada Pool/Pact; Nevada Dept. of Agriculture-Plant Industry Division newsletter; Nevada Connections newsletter; NDOT Centerline newsletter; Nevada Economy in Brief newsletter; Nevada Economic Update newsletter; Western Counties Alliance (2); National Assoc. of Counties; US Dept. of Interior-Office of Natural Resources Revenue; and US Dept. of Interior-BLM (4).

APPROVAL OF MINUTES

October 15, 2010: Commissioner Page motioned to approve minutes of the October 15, 2010, quarterly meeting; Commissioner Ithurralde seconded the motion; motion carried 2-0. Chairman Fiorenzi abstained as he was unable to attend that meeting.

November 22, 2010: Commissioner Page motioned to approve minutes of the November 22, 2010, meeting; Commissioner Ithurralde seconded the motion; motion carried 3-0.

FOLLOW UP TO 'RECREATION CENTER' ADVISORY QUESTION

Alternative Options for Recreation Center: Mike Rebaleati, along with Duane 'Duke' Gibson and Steve Zimmerman, asked if the Board would have any interest in considering a recreational center at an alternate site (other than the old elementary school building). The advisory question regarding this passed in Precincts #1 and #2, so they felt the citizens in southern Eureka County were in favor of a community facility. They offered to form a committee to explore other options and bring a proposal before the Board during the budget meetings in early 2011.

Commissioner Page suggested they approach the School Board to see if there was interest in working with the County on a joint facility. Chairman Fiorenzi and Commissioner Ithurralde both felt the voters had indicated their choice when the advisory question failed County-wide. Commissioner Ithurralde stated the Board would listen to a proposal, but couldn't

offer much hope that their position would change. Mr. Rebaleati asked if the County would be willing to cover postage costs for a survey or questionnaire to be sent to the citizens regarding this issue. The Board felt mailing costs would be minimal and didn't object.

EUREKA COUNTY SHERIFF

Departmental Job Descriptions: Sheriff Ken Jones requested that all Sheriff's Department job descriptions be amended to require a high school diploma or equivalent GED. This is already a state requirement for peace officers, deputy sheriffs, detention officers, etc. Commissioner Ithurralde motioned to amend all Sheriff's Office job descriptions to include the requirement of a high school diploma or equivalent GED: Commissioner Page seconded the motion; motion carried 3-0.

PUBLIC COMMENT

Chairman Fiorenzi called for public comments; there were none.

RECESS UNTIL 3:00 P.M.

The Board recessed at 1:55 p.m. until the 3:00 p.m. card draw.

BACK TO ORDER – PUBLIC COMMENT

Chairman Fiorenzi called the meeting back to order at 2:55 p.m. and turned the floor over to Human Resources Analyst, Jerry Larson, to make a public comment. Mr. Larson stated he wanted the Board and the public to understand that the recent hiring of his wife for a casual fill-in position was the decision of the Clerk/Treasurer, Jackie Berg. Three candidates had been presented and Ms. Berg selected the one she felt was best for the job.

Chairman Fiorenzi asked if there were any further public comments; there were none.

DETERMINATION OF WINNER IN CLERK/TREASURER RACE TIE VOTE

Card Draw, Pursuant to NRS 293.400, to Determine Winner in Tie Vote: A recount of the 2010 General Election Clerk/Treasurer race resulted in a tie vote for the two candidates, Jackie Berg (incumbent) and Carri Wright. Pursuant to NRS 293.400, responsibility fell to the County Commissioners to schedule a time and date to conduct a game of chance to determine the winner.

Chairman Fiorenzi announced that he would begin by reading the rules set forth by the Board of Commissioners, which had been provided to both candidates:

RULES TO CONDUCT THE CARD DRAW:

1. The candidates and the designated dealer will be requested to stand at the Commissioners' room table across from the Chair of the Board.
2. Four unopened decks of playing cards will be placed on the table.
3. Candidate Jackie Berg will be requested to eliminate one of the four decks.
4. Candidate Carri Wright will be requested to eliminate one of the three decks remaining.
5. The Chair will eliminate one of the two decks remaining.
6. The designated dealer or, in the event a dealer is not available, the Chair will open the remaining deck and prepare the deck using the standard casino gaming procedure to prepare a new deck of cards for a game of chance.
7. The deck will be placed face down before Jackie Berg, who will be given the first right of refusal to cut the deck of cards.
8. The dealer will take the cut deck and reassemble it by placing the cards from the top on the bottom of the deck.
9. The dealer will spread the reassembled deck out face down before Carri Wright, who will choose one card except the first and last card and keep it face down before her and not reveal the card's face.

10. Then Jackie Berg will choose one card from the remaining cards that are spread out, except for the first and last card, and turn it face up on the table.
11. The Chair will announce the card drawn by Jackie Berg.
12. Carri Wright will turn the card she chose face up on the table.
13. The Chair will announce the card drawn by Carri Wright.
14. The winner will be declared based on these rules –
 - Ace is high
 - In the event of a tie, suit determines the winner in this order –
 - Spades highest
 - Diamonds
 - Clubs
 - Hearts lowest

The Chairman announced it was 3:00 o'clock and asked the dealer, Eleny Mentaberry, and the candidates to stand in front of the conference table. Chairman Fiorenzi handed a package, sealed by the District Attorney's office on November 16th and containing four unopened decks of cards, to the dealer and instructed her to open the package and place the decks on the table.

The Chairman instructed Ms. Berg to eliminate one of the decks, which she did. He then instructed Ms. Wright to eliminate one of the decks, which she did. The Chairman then eliminated one of the remaining two decks and instructed the dealer to open the final deck and prepare it for a standard game of chance. Ms. [Carrion] opened the deck, removed non-playing cards, examined the front and back of the cards, counted the cards to confirm they were all there, shuffled the deck several times, and then offered the deck to Ms. Berg to cut the cards. Ms. Berg cut the cards and Ms. [Carrion] reassembled the deck and fanned the cards face down on the table.

Chairman Fiorenzi instructed Ms. Wright to select one card, except the first and the last, and to keep it face down before her, which she did. He then instructed Ms. Berg to select one card, except the first and the last, and to turn it face up on the table, which she did. Chairman Fiorenzi announced that Ms. Berg had drawn the 8 of hearts. He then instructed Ms. Wright to turn her card over, which she did. The Chairman announced that Ms. Wright had drawn the 3 of hearts, stating, "The holder of the 8 of hearts is the winner; Jackie is the winner."

ADJOURNMENT

Commissioner Page motioned to adjourn the meeting at 3:06 p.m.; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Approved this 14th day of January, 2011.

/s/ Leonard Fiorenzi
Leonard Fiorenzi, Chairman

Attest: /s/ Jackie Berg
Jackie Berg, Clerk