

EUREKA COUNTY BOARD OF COMMISSIONERS

December 21, 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 December 21, 2015. Present were Chairman J.J. Goicoechea; Vice Chairman Michael Sharkozy; Commissioner Fred Etchegaray; and Commissioner Clerk, Jackie Berg. District Attorney, Ted Beutel, was unable to attend. 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 Etchegaray motioned to approve the agenda; Chairman Goicoechea seconded the motion; motion carried 2-0.

PUBLIC COMMENT

Chairman Goicoechea opened the floor for public comments. Marcial Evertsen, Deputy Sheriff from Crescent Valley, heard that 4H Coordinator, Hallee DeChambeau, had resigned her position to take a job with the School District. As a concerned parent and concerned leader, he requested that the Commissioners consider how important the 4H Program is and keep it intact.

Chairman Goicoechea responded that during Commissioner updates (later in the meeting) he would provide information related to an Extension Educator for Eureka County, which will tie into the future of the 4H Program.

Public Works Director, Ron Damele, prepared a written statement that he read into the record: *“Good morning. Ron Damele, Public Works Director, for the record. I’m before you today to comment on your 10:05 a.m. Eureka Comptroller agenda item. As you know, or you will learn today, Kim Todd from the Public Works Department has applied for the newly created Eureka County Comptroller at-will position. As Kim contemplated applying for this position, she was completely transparent and forthcoming with me about her current position with Eureka County, the opportunity for promotion, and the unique challenge the Comptroller position presents for her. If Kim is selected for this position, it will be a step in the right direction for Eureka County. Building future capacity in your at-will positions is always a good idea. I am certain a new Comptroller’s office with Kim and Tina will perform the duties of overseeing the financial affairs of Eureka County in a manner consistent with the expectations of the Eureka County Commissioners and the Eureka County taxpayers. I hold Kim and Tina in the highest regard and I support them both in this time of transition.*

“My concern this morning is not with the Comptroller position, but more with how Eureka County in less than one year got into the position of needing a Comptroller, duties that historically the County Auditor’s office has performed. There appears to be a performance issue in this area. An issue that impacts negatively on the public’s perception of the integrity and credibility of Eureka County, and it erodes the public’s confidence in Eureka County.

“Elected officials serve at the pleasure of the voters and cannot be held to the same degree of accountability as county employees. County employees that fail or refuse to perform pursuant to county standards are held accountable and counseled in a formal, objective, constructive, consistent and ongoing process, to assist them in overcoming the deficiency.

“Hiring a Comptroller appears to be making a special accommodation in order to get the financial affairs of Eureka County back in order. Making this special accommodation sets precedence and in this instance is a slap in the face to every Eureka County employee that is doing their job. The Commissioners have no other option. You’re stuck between a rock and a hard spot. You must do what is

in the best interest of Eureka County and that is to preserve the integrity of the county's financial affairs by hiring a Comptroller.

"Thank you for the opportunity to comment and thank you for making the tough decisions that will better position Eureka County for the future."

The Board thanked Mr. Damele for his comments and the Chairman called for additional public comments.

Cindy Adams, member of the Recreation Board, referenced a letter that was provided to the Board by Eureka Activities Coordinator, Cindy Beutel, that addressed items discussed during the last Recreation Board meeting. Ms. Adams clarified that an appraiser was in Eureka to appraise the Biale property (which has been offered for a Veterans Memorial Park) and two other properties. As a favor, the appraiser is only charging \$100.00, which Ms. Adams and her husband intend to pay. In regards to the Biale property, the owners will contact the US Environmental Protection Agency to have the property tested for soil contamination. Additionally, Ms. Adams informed the Board that she has asked Ms. Beutel to "step away" from the Biale property

Ms. Adams added that during the Recreation Board meeting, she inquired as to the Eureka Activities budget and whether the program was staying within its budget. Ms. Adams stated this was not a personal attack against Ms. Beutel and she was sorry if it was taken in that way.

There were no further public comments.

APPROVAL OF MINUTES

December 7, 2015: Commissioner Sharkozy motioned to approve minutes of the December 7, 2015, Commission meeting; Commissioner Etchegaray seconded the motion; motion carried 2-0. Chairman Goicoechea abstained from voting as he was absent from the December 7th meeting.

FINANCE & RECORDER/AUDITOR

Payment of Expenditures: Expenditures were presented for approval by Recorder & Auditor, Sara Simmons. Commissioner Etchegaray motioned to approve expenditures in the amount of \$170,787.01 for accounts payable, \$259,637.08 for payroll, \$300.00 for a pass-through court fee, and \$5,638.35 for Yucca Mountain expenses, for a grand total of \$436,362.44. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

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

COMMISSIONERS

Update Reports: Commissioner Sharkozy participated in the Search & Rescue meeting and dinner in Crescent Valley on December 7th; attended the meeting with Newmont Mining in Eureka on December 8th; participated in the Crescent Valley Volunteer Fire Department meeting on December 8th; attended the Crescent Valley Volunteer Fire Department dinner on December 12th; attended the Fannie Komp Senior Center dinner on December 15th; attended the no-host Christmas dinner for Eureka County employees at the Opera House on December 18th; and participated in the Crescent Valley Christmas events (Parade of Lights, bonfire, dinner) on December 19th.

Commissioner Etchegaray attended the Central Nevada Regional Water Authority meeting in Fallon on December 11th; attended the Recreation Board meeting on December 15th; met with representatives of Waterton Global Resource Management at the Ruby Hill mine site on December 16th; and attended the employee Christmas party at the Opera House on December 18th.

Chairman Goicoechea began by thanking his fellow Commissioners for covering the December 7th Commission meeting as he recovered from surgery. The Chairman attended the meeting between Newmont Mining and County officials on December 8th via telephone; participated in the Natural Resources Advisory Commission meeting by telephone on December 9th; had numerous phone calls on December 17th-18th related to the Special Session of the Nevada Legislature; met with University of Nevada Cooperative Extension representatives on December 18th to review applicants for the Extension Educator position; met with Laura Granier (attorney on the sage grouse lawsuit) via telephone on December 18th; and participated in the NACO Board meeting, also by phone, on December 18th.

Legislative Update: Chairman Goicoechea took time to thank elected officials on the State level, particularly Senator Goicoechea, for bringing items in the Special Session to the County's attention and for working diligently to circumvent inclusion of some damaging language in proposed legislation (Section 64 of SB1). The Chairman, Jake Tibbitts, Dale Bugenig, and County Lobbyist, Steve Walker, also worked tirelessly in this regard during the Session.

Cooperative Extension Update: Of the five applicants for the Extension Educator position, two will be asked to give a presentation in Eureka in a public forum sometime in January. The 4H Program will remain viable, but staffing will be addressed after the Extension Educator is in place. Current staff will manage the program in the interim. Assistance from volunteers, especially in the livestock area, would be greatly appreciated.

Draft Layoff Policy: An opportunity was given for employees to submit additional written or verbal comments regarding proposed changes to the layoff policy. There were no further comments. A public hearing to consider adopting the revisions is scheduled at 10:00 a.m. on January 6, 2016.

Rescind Resolution Regarding NRHA Interest Earnings: A resolution was adopted on November 20, 2012, designating use of interest earnings received from Nevada Rural Housing Authority for loans on the Eureka Canyon Subdivision townhomes and development. With the current economic outlook, the Board felt it made more sense for the interest earnings to be deposited into the County's General Fund.

Commissioner Etchegaray motioned to rescind the resolution of November 20, 2012, making it null and void, and directed that all interest earnings from Nevada Rural Housing Authority revert to the General Fund. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

Sagebrush Ecosystem Program & Nevada Greater Sage-Grouse Conservation Plan: Chairman Goicoechea provided a couple of brief updates related to sage grouse issues. New maps of sage grouse habitat have been adopted by the US Department of Interior. The maps correct some of the issues, but they still aren't correct.

A million dollars in State funds is available right now for conservation projects on private property. More information can be found on the Sagebrush Ecosystem Council website (sagebrusheco.nv.gov).

EUREKA COUNTY COMPTROLLER

Internal Job Posting: An ordinance establishing the office of County Comptroller was adopted during the December 7th meeting and the final job description was approved as well. The job was posted internally and one response was received from Kim Todd. Ms. Todd currently serves as Administrative Assistant to Public Works.

Appointment of Comptroller: Before discussion ensued regarding appointment of a Comptroller, Commissioner Etchegaray disclosed that he has a distant relationship to Ms. Todd by marriage. He noted this would not affect his vote and he intended to participate in the discussion and action.

Ms. Todd's application and qualifications were reviewed by contract Human Resources (Pooling Resources, Inc., of Nevada POOL/PACT), as well as their legal counsel. HR indicated

that Ms. Todd met all of the requirements and qualifications for the job. Ms. Todd briefly reviewed her work history and qualifications for the Board and answered several questions.

Commissioner Sharkozy motioned to appoint Kim Todd to the full-time position of County Comptroller, at at-will position that reports directly to the Board of County Commissioners; Chairman Goicoechea seconded the motion; motion carried 3-0.

Comptroller Salary: Chairman Goicoechea noted that the position starts officially on January 1, 2016, but to ensure a smooth transition, the Board expects Ms. Todd to begin assuming Comptroller duties immediately. Contract HR provided guidance on the recommended salary. Commissioner Sharkozy motioned to establish an annual salary of \$63,500.00 for the County Comptroller position and motioned that Ms. Todd begin receiving the new wage effective immediately. Commissioner Etchegaray seconded the motion. Motion carried 3-0.

Positions Responsible to Comptroller: One full-time position is currently completing a set of duties now assigned to the Comptroller (payroll, accounts payable, etc.), so it makes sense to assign this person to the Comptroller.

Commissioner Etchegaray motioned that Tina Hubbard be transferred from the Recorder/Auditor's office and be directly responsible to the County Comptroller, that the salary for this position be set at a Range 130 Step 28, that these changes become effective immediately, and that contract Human Resources be directed to prepare a new job description for this employment reclassification to be presented for approval at the next meeting. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

Location of Comptroller Office: Chairman Goicoechea spoke with other County officials to determine an appropriate location for the Comptroller's office. It was determined that the set of offices previously used for Justice Court administration, and most recently used by the Public Guardian, will be vacated and occupied by Comptroller staff.

Commissioner Sharkozy motioned that, effective immediately, Comptroller staff (Kim Todd and Tina Hubbard) will be located in the former Justice Court offices; that all workstations, peripherals, files, and duties related to these new positions be moved; that progress begin on transferring all accounts (bank accounts, payroll accounts, accounts payable, etc.); and that budget and other needs be brought forward at a future meeting. Commissioner Etchegaray seconded the motion. Motion carried 3-0.

FISCAL YEAR 2016-2017 BUDGET PREPARATIONS

Employee Survey: Chairman Goicoechea thanked the employees for participating in the recent employee questionnaire and follow-up interviews. Some employees voiced concerns that final report from the interviews was not a comprehensive representation of employee comments. Chairman Goicoechea promised to follow-up with contract HR regarding this aspect of the survey and interviews. He added that the results will be considered during upcoming budget preparations, but no decisions have yet been made based on the survey.

Contract for Budget Director Services: Budget Director duties will be assumed by the Comptroller, but a need exists for assistance in preparing the Fiscal Year 2016-2017 budget and in transition of budget duties. Chairman Goicoechea reached out to some independent companies and found that McMullen McPhee & Company does this type of work for other municipalities. Their fees are \$200.00/hour for principals, \$95.00/hour for professional staff, and \$65.00/hour for clerical staff.

After a detailed discussion, Commissioner Sharkozy motioned to approve a time and materials professional services contract with McMullen McPhee & Company, LLC, beginning January 1, 2016, through June 30, 2016, not to exceed \$25,000.00, and authorized the Chairman to sign an engagement letter outside of the meeting. Commissioner Etchegaray seconded the motion. Motion carried 3-0.

Set Budget Meeting: The Board agreed to hold the first budget meeting of the year at 1:00 p.m. on January 20th following the regularly scheduled meeting.

AMBULANCE & EMS

Activity Report: EMS Coordinator, Mike Sullivan, reported on activities since his last report on November 20th. Eureka had five calls for service (125 year-to-date) and Crescent Valley also had five calls for service (60 year-to-date). Continuing education training was held on November 2nd, November 30th, and December 7th in Eureka and on November 12th, November 26th, and December 10th in Crescent Valley. Training is scheduled for December 24th in Crescent Valley and December 28th in Eureka.

The transition to the third-party ambulance billing company, Health Services Integration, Inc., is progressing. All EMT license recertifications have been processed and Mr. Sullivan will travel to Carson City on December 28th to submit them to the State. The AEMT (Advanced Emergency Medical Technician) refresher was held November 22nd through November 25th.

PUBLIC WORKS

Water/Sewer Service Application: Public Works Director, Ron Damele, reported that an application was received from I. Claire Morrow for a new residential water service and a new residential sewer service at 511 Robins Street. This is for an additional water and an additional sewer service at this location. Commissioner Sharkozy motioned to approve a ¾-inch residential water service and a 4-inch residential sewer service for I. Claire Morrow located at 511 Robins Street in Eureka (APN 001-053-07); Commissioner Etchegaray seconded the motion; motion carried 3-0.

Proposed Eureka Airport Lighted Wind Cone Project: Mr. Damele explained that entitlement funds are received from the Federal Aviation Administration each year for the Eureka Airport. The FAA recently notified Eureka County that a balance of \$42,582.00 remains from 2013 and must be used by July 31, 2016. To utilize these funds, the County may opt to move forward with the Eureka Airport Lighted Wind Cone Project, a \$75,000.00 project requiring a \$5,000.00 County match.

Although it meant forfeiting grant monies, the Board felt it was not prudent to move forward with this project under the current budget constraints. Commissioner Etchegaray motioned to deny moving forward with the proposed Eureka Airport Lighted Wind Cone Project; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Federal Awards: Public Works received a letter from the US System for Award Management notifying them that Eureka County has been identified as a delinquent federal debtor. Administrative Assistant, Kim Todd, researched and found that Medicare had filed a claim with the US Treasury against Eureka County. An error occurred on a medical bill for a patient insured by St. Mary's (now Prominence), the County's insurance carrier. The primary insurance was erroneously listed as Medicare and Medicare subsequently overpaid approximately \$9,000.00. This has since been rectified, but records have not been updated to show that this has been reimbursed.

With the County currently flagged as a delinquent federal debtor, this could potentially affect all federal grants. Staff is working diligently to remedy this by obtaining a copy of the cancelled check from St. Mary's to prove that this has been paid.

CLERK & TREASURER

Treasurer's Report: The Treasurer's Report for November was submitted by Clerk & Treasurer, Beverly Conley. Ending General Fund balance was \$13,942,896.09. Overall ending balance, including encumbered funds was \$56,760,479.37.

COUNTY FACILITIES & ECONOMIC DEVELOPMENT

Update Report: Cultural, Tourism, & Economic Development Director, Andrea Rossman, reported on activities for the Opera House, Sentinel Museum, and Economic Development. The Holiday Bazaar was held at the Opera House November 20th & 21st. The White Pine Players

performed *A Christmas Carol* at the Opera House on December 12th. Richard Elloyan, cowboy poet/singer/songwriter, will return on February 5th for a performance.

Great Basin Regional Development Authority continues looking for a director. Their next meeting is January 11th in Goldfield. The Economic Development Program Board met on December 10th and their next meeting is scheduled for January 7th.

Museum Director, Ree Taylor, submitted a written report detailing recent donations and museum activities over the past month.

Commitment Letter for CDBG: An application was prepared for a Community Development Block Grant to obtain a digital x-ray machine for the Crescent Valley Medical Clinic. A letter was prepared outlining the County's commitment of \$7,000.00 in matching funds. Commissioner Etchegaray motioned to approve and sign the commitment letter to accompany the Community Development Block Grant application for a digital x-ray machine for the Crescent Valley Medical Clinic; Commissioner Sharkozy seconded the motion; motion carried 3-0.

HEALTH INSURANCE COMMITTEE

Update on Flu Shot Clinic: On October 29th, the County sponsored a Flu & Pneumonia Shot Clinic in Eureka for employees and retirees (including dependents), facilitated by Prominence Health Plan, the County's insurance carrier. Kim Todd, Chair of the Health Insurance Committee, reported that there were 42 participants (compared to 58 in 2014 and 40 in 2013).

ACA Guidelines for Part-Time Employees: Benefit Intelligence Insurance Services recently notified the Health Insurance Committee of changes implemented with the Affordable Care Act that affect how Eureka County must manage non-benefited employees. Current Personnel Policy, as well as the Public Employees Retirement System, limits non-benefited employees (casual, seasonal, temporary, part-time) to 1,039 hours per calendar year, which equates to an average of 19 hours per week.

The Affordable Care Act now limits all non-benefited employees to no more than 130 hours monthly. Eureka County is subject to penalties and fines if this limit is exceeded. Based on these change, many employers are now limiting workers to 30 hours or less per week.

Commissioner Etchegaray motioned that, in addition to current policy limiting non-benefited employees to 1,039 hours per year (which is still in place), all non-benefited employees will be limited to no more than 29 hours per week, effective immediately. Commissioner Sharkozy seconded the motion. Motion carried 3-0. The Board directed that a memo be sent to all employees notifying them of this change.

EUREKA ACTIVITIES

Proposed Message Board: Eureka Activities Coordinator, Cindy Beutel, was unable to attend, so provided a letter outlining information related to the agenda item and giving updates on the proposed Veterans Memorial Park and the Eureka Activities budget.

Ms. Beutel continues working on a grant application to Nevada Commission on Tourism to purchase a message board to be placed in front of the railroad car on Main Street in Eureka. The Recreation Board approved matching funds in the amount of \$6,000.00 and Ms. Beutel will approach the Economic Development Program Board for an additional \$6,000.00. The County has a long-term lease for the property where the railroad car is located. The Board asked that the lease be researched to make sure placement of a sign is not prohibited.

Commissioner Sharkozy motioned to authorize Eureka Activities to move forward with the grant application to Nevada Commission on Tourism for a message board, contingent that the property lease doesn't prohibit this type of use, and contingent that no General Fund monies be spent towards this project; Commissioner Etchegaray seconded the motion; motion carried 3-0.

Proposed Veterans Memorial Park: Ms. Beutel has been working to obtain grants for the proposed Veterans Memorial Park to be developed on property offered for donation to the

County by the Biale Family Trust. As a result of recent personal attacks, Ms. Beutel notified the Board that she is removing herself from any additional work on this project.

Eureka Activities Budget: The Eureka Activities budget does not reflect grants and donations received for various activities, as these are deposited directly into the General Fund. Therefore, when expenditures are charged against account numbers assigned to Eureka Activities, it appears that budgeted monies are being spent when the projects and/or events are actually funded by donations. Ms. Beutel asked the Board to help address how grant funding is budgeted so that it does not appear to the public that affected budgets are being overspent.

PLANNING COMMISSION

Letter of Resignation: Chad Sestanovich recently moved from Eureka County and submitted a letter resigning from the Planning Commission. Commissioner Sharkozy motioned to accept the resignation of Chad Sestanovich from the Planning Commission; Commissioner Etchegaray seconded the motion; motion carried 3-0.

NATURAL RESOURCES

Report on Meetings & Activities: Natural Resources Manager, Jake Tibbitts, stated that in interest of time he will no longer report on all meetings attended, but will limit his report to natural resources issues of interest to Eureka County. Chairman Goicoechea affirmed that the report on meetings and activities actually began when the Natural Resources person was a contracted position, but this is no longer the case. Likewise, Mr. Tibbitts will only report on upcoming meetings of specific interest to the Board.

Upcoming Meetings: Upcoming meetings include the McEwen Mining Gold Bar Mine Project EIS conference call on December 23rd; a presentation of the Draft Water Resources Master Plan to the Planning Commission on January 4th; and the Eureka Conservation District meeting on January 5th.

Recent Water Applications: A multitude of water applications have recently been filed with the State Engineer and are now being advertised in the *Eureka Sentinel*. Mr. Tibbitts will place an item on the next agenda to discuss these with the Board.

Special Session of Nevada Legislature: Mr. Tibbitts commented on water rights provisions addressed during the recent Special Session of the Nevada Legislature. The proposed language would have allowed expedited approval of certain projects, in effect side-stepping water law as it is now written. County representatives were able to work with the legislators to amend the proposed language so it is more palatable moving forward and so that it does not affect NRS Chapters 533 & 534.

Sage Grouse Issues: At the December 7th meeting, the Board authorized a letter to Governor Sandoval in response to his press release regarding his meeting and negotiations with US Department of Interior Secretary, Sally Jewell, on sage grouse issues. The response was worked on by Mr. Tibbitts and Chairman Goicoechea with input from the District Attorney and the County's sage grouse attorney, and received approval from the Natural Resources Advisory Commission. The response has been picked up by many local and western newspapers, as well as the Associated Press, and has been printed in various venues in its entirety.

In other sage grouse news, the federal omnibus bill now includes language disallowing the BLM from moving forward with the Land Use Plan Amendment, includes language prohibiting the US Fish & Wildlife Service from reevaluating a listing decision on the sage grouse, and adds a timeframe provision for states that have developed a sage grouse plan to implement their respective plan.

MOU with BLM for Gold Bar Mine Project EIS: A draft Memorandum of Understanding was received from the Battle Mountain District BLM to establish Eureka County as a Cooperating Agency for the McEwen Mining Gold Bar Project Environmental Impact Statement

process. Mr. Tibbitts noted he has several suggested changes in order to make the MOU consistent with past MOUs the County has entered into with the BLM on various projects.

Commissioner Etchegaray motioned that the proposed changes be presented to the BLM for the Memorandum of Understanding with the Battle Mountain District establishing Eureka County as a Cooperating Agency on the McEwen Mining Gold Bar Project EIS, and authorized the Chairman to sign the final MOU outside of the meeting if the changes are accepted by the BLM. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

CORRESPONDENCE

Correspondence was received from: Connie Hicks; Michael Caldwell; Chad Sestanovich; Keith & Dina Logan; District Attorney, Ted Beutel (6); Sheriff Keith Logan; Assessor, Michael Mears (2); Clerk & Treasurer, Beverly Conley (2); Natural Resources Manager, Jake Tibbitts; Commissioner Clerk, Jackie Berg (2); Cultural, Tourism, & Economic Development Director, Andrea Rossman; Public Works Administrative Assistant, Kim Todd; Eureka Activities (2); Eureka County Recreation Board; Eureka Owl Club; Crescent Valley Town Advisory Board; Abby Johnson; Nevada Assoc. of Counties (3); Nye County Emergency Management; White Pine County Commission (2); Donna Bath; Nevada POOL/PACT, Jeanne Greene; Allison, MacKenzie, Ltd.; Nevada Dept. of Transportation; Nevada Governor's Office of Economic Development; Nevada Dept. of Tourism & Cultural Affairs; Nevada Humanities; Nevada Div. of Environmental Protection (2); US Dept. of Interior-BLM, John Sherve; Western Counties Alliance (3); OSHA Conference schedule; and Belfor.

PUBLIC COMMENT

Chairman Goicoechea called for public comments; there were none.

ADJOURNMENT

The meeting was adjourned at 12:07 p.m.

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

/s/ J.J. Goicoechea

J.J. Goicoechea, Chairman

I, Jackie Berg, Commissioner Clerk, attest that these are a true, correct, and duly approved minutes of the December 21, 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