

**Minutes of the
EUREKA COUNTY NATURAL RESOURCES ADVISORY COMMISSION**

The Eureka County Natural Resources Advisory Commission (NRAC) held a public meeting on January 18, 2017, at 6:00 p.m. at the County Administrative Facility, Eureka, Nevada.

Members Present: Jim Baumann, Carl Slagowski, Paul Etzler, Gary McCuin, Jim Wise, Leo Damele, Mike Protani, and Mike Rebaleati (via phone conference)

Members Absent: Ken Conley

Others Present: Jake Tibbitts- Eureka County Natural Resources Manager and Ari Erikson- Gullsil

Call to Order

The meeting was called to order by Chairman Baumann at 6:02 p.m., a quorum was determined to be present.

Public Comment

None.

Election of Officers

Elect Officers – Chair and Vice-Chair – for 2017.

Jim Wise moved that Jim Baumann continue to be the Chairman for 2017. Leo Damele seconded, motion carried unanimously.

Gary McCuin moved that Carl Slagowski continue to be the Vice-Chair for 2017. Mr. Damele seconded, motion carried unanimously.

Commission Business

Review and approve minutes from the December 7, 2016 meeting.

Mr. Slagowski moved to approve the minutes with corrections from the December 7, 2016 meeting. Mr. Wise seconded, motion carried unanimously.

Member Updates and Reports.

None.

Discuss correspondence and natural resource issues affecting Eureka County and consider action items for the next agenda.

Jake Tibbitts covered the following correspondence and natural resources issues.

- Ryan Zinke, Montana's Congressman has been proposed by the Trump Administration for the Secretary of Interior position. Mr. Zinke's confirmation hearing was yesterday and it went very well for him. He comes from a military background and he keeps discussing the importance of allowing local communities a greater say in management.
- The Bureau of Land Management (BLM) Battle Mountain District (BMD) sent out their Interested Public Mailing List form for 2017. The letter basically asks if the board would like to continue to be on the interested public list in order to receive notifications regarding BLM actions/decisions. Every year the Natural Resources Department puts together one letter for all of the NRAC members to be listed as interested individuals and receive the information. After brief discussion, the board agreed to have one letter written for the 2017 Interested Public Mailing List to the BLM BMD.
- The BLM Tonopah Field Office will be conducting a wild horse gather, the gather doesn't affect Eureka County but he wanted the board to be aware that the BLM continues to

do the same old thing. Their plan is to take 135 horses, remove 80, and treat the remaining 55 with the sterilization drug.

- The BLM BMD released their Environmental Assessment (EA) on the lands that they are offering up for Oil and Gas Leases. Basically, the Oil and Gas Industry nominates blocks of land that they believe have oil and gas potential, they then submit those parcels to the State BLM Office, and they direct the BLM District Offices to put together an EA. The BLM District Offices then review the nominated parcels, determine if there are other resources available on those parcels or if the sage grouse plan is somehow being impacted, and make the determination of which parcels are available for lease. The EA shows that a lot of the nominated parcels are located in the Diamond Valley (DV) playa and the BLM has taken those off the table due to the potential of other resources available in that area. Mr. Tibbitts stated if the industry is looking for gas and oil deposits, the DV playa would be the perfect location because of the minimal impacts to Animal Unit Months (AUM's) and not having wet areas. Mr. Tibbitts asked the board if they would agree with having the Board of County Commissioners (BOCC) provide comment on the EA that asks the BLM to leave the parcels of land on the DV playa available for lease as long as the parcels aren't where the streams are located. The board agreed with providing comment on the EA through the BOCC.
- The BLM BMD released their Annual Director's Report for 2016. The report covers all of BLM's activities and projects for the year. The report discusses the McEwen Mining-Gold Bar Project and states that McEwen will be obtaining two Right-of-Ways (ROW's), one for Robert's Creek Road and one for 3 Bars Road. Eureka County fought hard with the BLM to have that provision removed from the project proposal and it was removed but this report doesn't provide a current update on that. The report also discusses how the BLM BMD completed a DV Water Adjudication process, BLM filed on 66 springs, and streams in DV. Basically, the BLM believes that those 66 springs and streams belong to the BLM which would essentially be every spring and stream in DV. The BLM BMD also states that the 3 Bars Restoration Project decision was finalized in December 2016 but the official Record of Decision (ROD) hasn't been released yet. The report also talks about BLM BMD's priorities for the upcoming year. BLM plans on getting a lot of Rangeland Health Assessments done and those are being driven forward because of the Sage Grouse Plan. Shawna Richardson provided information that the BLM BMD is planning on doing a wild horse inventory flight soon starting at Highway 50 and ending down south past Tonopah.

Agency Reports

Reports and updates from various natural resources and land management agencies in attendance.

None.

Mining

Discuss mining projects and activities in and affecting Eureka County, including but not limited to the GRP Resources Gold Rock Project, Barrick Horse Canyon/Cortez Unified Exploration Project (HCCUEP) Twin Exploration Declines, Gullsil Prospect Project, McEwen Mining Gold Bar Project, Newmont Perry Pit Project, Barrick Cortez Deep South Expansion Project and all Carlin Trend operations and consider response to any related issues.

Mr. Tibbitts stated the McEwen Mining-Gold Bar Project Administrative Draft Environmental Impact Statement (DEIS) was received and the county provided comment. McEwen Mining and Eureka County have had multiple meetings and sessions to address the county's concerns. McEwen is currently on a parallel track with their notice of availability sitting in Washington D.C.

and waiting for one signature. Once the notice of availability is completely signed, McEwen will release their DEIS to the public for comment. The Rain Mine sent out their plan of operations amendment for their final full closure. They are currently dealing with the acid rock drainage and they have multiple proposals available on how to deal with that problem. The EIS process on the Barrick Cortez-Deep South Expansion Project has begun and Eureka County is a cooperating agency on that but they are currently waiting for the Memorandum of Understanding (MOU) from the BLM which will formally establish Eureka County as a cooperating agency. Eureka County has been participating on the conference calls every other week and Barrick just provided them with their pit lake model for review by the county. Recently, the Ninth Circuit Court vacated Mt. Hope's Project ROD and kicked it back to the BLM for a more extensive analysis on air quality.

Ari Erikson stated that Gullsil is moving forward with the NV Division of Environmental Protection (NDEP) in early February. SRK Consulting is working really hard on the water pollution control permit right now and the hope is to have an EA done at SRK's level by the end of February. They are hoping that in 18 months they can begin moving some stuff around over there. As for air quality, they shouldn't have too many issues since they are so far underground. They don't anticipate an air quality issue but the BLM has requested an air quality control model anyway.

BLM Planning 2.0

Discuss and consider response on BLM final planning regulations, "Planning 2.0."

Mr. Tibbitts stated that there is a big consorted effort going through the Western States with the Wyoming County Commissioners Association (WCCA) taking the lead and they are trying to hold off the implementation of the BLM Planning 2.0 regulations. The regulations are currently in place but the BLM has said that in rural areas the new regulations aren't in place until they update their handbook which could be published any day now. This entire effort is pushing for the total repeal of Planning 2.0 and to push Congress to do a Congressional Review Act (CRA) of Planning 2.0. The CRA allows Congress to review any regulations by any regulatory agencies and overturn the regulations without having to pass any new legislation. The first priority is to get the CRA done and then look at an appeal if the CRA doesn't work. An appeal can get very expensive and that would be more of a last resort option but the day after the regulations were released various counties filed a lawsuit against Planning 2.0. There is a huge concern going on because of this lawsuit and that this could affect the push for the CRA. Mr. Tibbitts stated that the National Association of Counties (NACO) wrote a letter asking all entities that are interested in pushing for a CRA to sign onto the letter and support this effort. Mr. Tibbitts recommended that the board approve Eureka County, NV to sign onto the letter and support this effort because the more signatures they get, the more they can demonstrate that this issue is important.

Mr. McCuin motioned that the NRAC board sign onto the support letter for the Congressional Review Act of the BLM Planning 2.0 Regulations. Mr. Slagowski seconded, motion carried unanimously.

Water Resources

Update on and consider response to water resource issues including but not limited to the Humboldt River Basin and curtailment and Groundwater Management plan in Diamond Valley.

Mr. Tibbitts stated that during the last three Legislative Sessions there's been pit lake evaporation bills come forward and nothing has come from them. The Humboldt River Authority has been one of the entities that continues to push this but nothing has been done to resolve

the issue. This bill would require mines to have a water right for pit lake evaporation because right now they have nothing in place for pit lake evaporation. Recently, the State Engineer came forward with a letter to the Mining Industry saying that after many consultations with the Mining Industry and legal counsel, from here on out any new mining operations that extend below the groundwater table will have to relinquish a valid water right to account for pit lake evaporation. This is not a new law or regulation, it's under current law so anything that has current groundwater rights will not have to provide a current permit for pit lake evaporation but any new mining operations after the letter was dated will have to provide that. Mr. Tibbitts stated this is a water right, it's relinquished to the basin, it's accounted for in the basin balance, and the basin holds the water right rather than an individual. Basically, any new mining operations or any changes to a current mine plan of operations will be required to have a valid water right to account for pit lake evaporation.

Mr. Tibbitts stated that the State Engineer has been hosting the Humboldt River Annual Workshops and their projections for this year will be based on a 25% loss which is the standard for normal years based on what is used by the crops. This year they will also deliver to all diversified pastures but they are still determining if it will be a full delivery or not. The State Engineer also provided an update on the capture model, what was done, and the data that was collected. The model breaks everything down into separate grids and determines if an individual is over pumping and depleting that specific stream. The State Engineer will use the collected data to determine curtailment type options. The State Engineer will soon be releasing regulations for review by the public on conjunctive management for the water in the Humboldt River Basin. The regulations will outline a lot of different things such as if an individual is over pumping by a certain percent, then they could discharge that same percent of their water right into the stream, and they would have technically mitigated the conflict. Basically, groundwater pumpers will receive major impacts under these regulations especially if it's found that an individual's pumping is impairing the river. The regulations will still allow groundwater pumping to occur but some type of mitigation has to occur.

Mr. Tibbitts stated that Judge Furman has rescheduled the show case hearing for the DV curtailment to the full week of May 15, 2017, which will take place at either the Eureka Courthouse or the Eureka Opera House. The DV-GMP continues to make progress, the most recent version has been vetted by the whole group, and they made a few language changes that they are working on with the State Engineer. They have been looking over banking provisions and some modeling is also taking place to determine if the water that is left in the ground stays there for the next year or if gets absorbed by plants. Mr. Tibbitts stated that the State Engineer is supposed to put together an abstract of rights for the DV adjudication but he hasn't completed that yet. Right now all they can do is sit and wait for the state Engineer to send the abstract out.

Grazing

Discuss and consider response on recent grazing actions and decisions affecting Eureka County, including BLM Final Decision on Stone Cabin Water Hauls.

Mr. Tibbitts stated that he received the end of year/end of season monitoring report in accordance with the Argenta Settlement Agreement. It appears as if most of the requirements were met by the permittees but they continue to work on other issues out there. It looks like Argenta had a pretty successful year and didn't exceed many of the utilization triggers. During the board's last meeting, they discussed various fire closures that were taking place but due to comment deadlines the BOCC had to provide comment before the NRAC board met. All of the fire closures are in the Elko BLM District- Tuscarora Field Office and as soon as they received

Eureka County's comments they called and setup a meeting with Eureka County. The decisions haven't been sent out yet but they did make some great changes based on Eureka County's comments and the discussion they had during their meeting. The BOCC also provided comments on the BLM Battle Mountain District Carico Lake Fire and Grazing closures but the BLM hasn't even acknowledged their letter or said thanks for providing comments. During their last meeting, they approved providing scoping comments on the Targeted Grazing EA, the comments that were submitted were in support of using targeted grazing and asking the BLM to recognize Eureka County as a participating entity since most of the project will take place in Eureka County. It was a little bit disappointing to receive the already written EA and not receive a response from the BLM as to being a participating entity. Mr. Tibbitts stated the concern is that the document's purpose is to study producers ability to utilize livestock grazing to establish and maintain strategically placed fuel breaks and protect sage grouse habitat. Basically, the BLM is saying that the purpose of the document is to study a producer's ability to graze cheat grass in a way that protects sagebrush and the need is to research targeted grazing to protect critical sagebrush species habitat including sage grouse habitats from wildfire risk. The whole deal is going to be a research project which can be very dangerous because if the entity who is conducting the project fails, then there won't be a chance for producers to try it out because the BLM will say they already tried that and it failed. *A copy of all of the county's comments is available upon request.

Sage Grouse

Discuss and consider response to recent activities and issues related to sage grouse including, but not limited to, federal Land Use Plan Amendments and current and potential litigation, NV Sagebrush Ecosystem Program and NV Greater Sage-Grouse Conservation Plan.

Mr. Tibbitts stated the litigation that the county is involved in continues to move forward but recently some of the outside mining groups and counties that aren't involved in the litigation have been putting a lot of pressure on the Attorney General so he can ask Judge Dew to extend the litigation process. Basically, they don't want anything to be done until those entities put all of their eggs into the new administration basket in hopes that the administration will overturn the plan. Eureka County's attorney has stated that they can keep delaying the case but eventually they won't have a case because of all of the delays and she recommends to continue moving forward. The BOCC has determined that they do not want the delay, they want to continue to push through this phase in Federal District Court and see what happens while still pursuing administrative fixes. One of the main reasons that some of these entities want to hold off is because of the Sagebrush Focal Areas (SFA's) that are located within their boundaries and they are currently negotiating changes on those boundaries through the Governor's Office. These entities are focusing really hard on the SFA's and are forgetting all about the sage grouse plan but they shouldn't because the sage grouse plan will affect everyone. Currently, Eureka County in the process of renewing three of their gravel pit permits but due to the sage grouse plan, the BLM is posing strict restrictions such as only allowing access to the pits two months out of the year due to sage grouse. The BLM informed the county that if they want to get gravel they have to do it during the two month timeframe, screen the gravel, and then store it somewhere else for the rest of the year. The current permit allows them to get gravel whenever it is needed and this is showing that the sage grouse plan is already impacting Eureka County. Another thing that Judge Dew is asking for is to provide examples of how grazing has been affected due to the sage grouse plan but BLM hasn't issued any decisions under the plan yet. Mr. Tibbitts stated that he thinks that the BLM is purposefully not issuing grazing decisions under the sage grouse plan so entities can't provide examples of how grazing is being impacted. Recently, they were informed that the BLM will be working on the Argenta Complex and that it will take the BLM two years to get grazing decisions done under the sage grouse plan.

Mr. Tibbitts stated that JJ Goicoechea wanted to make the board aware that the Sagebrush Ecosystem Council will be meeting soon and if they can't make changes to the CCS to work with the Sage Grouse Plan, then they may as well get rid of it. Recently, McEwen Mining ran the CCS to see what they would need to do for their disturbance, they have 90 acres of direct disturbance in sage grouse habitat and the system says they need 632 credits but for the indirect disturbance the CCS calculated that they needed 16,000 credits. The issue is that McEwen has made a lot of changes at their site due to sage grouse already such as not running a powerline, using natural gas generators, busing employees, and making equipment as quite as possible to avoid disturbing sage grouse. The system doesn't take into account any of those changes it just says that they are still travelling that specific road and it calculates those large indirect disturbance numbers. Therefore, McEwen Mining developed their own proponent driven mitigation where they use a four to one ratio so for every acre they disturb in priority habitat they will mitigate four acres and they will continue to hold out hope that the Sagebrush Ecosystem can make changes to the CCS. Mr. Goicoechea is trying to get the system to work in giving entities/individuals credit for the changes that they have already made due to sage grouse because the way the program is right now it doesn't take any of that into account.

Fiscal Year 2018 NRAC Budget

Discuss and consider recommendation and request to County Commission for FY 2018 NRAC budget.

Mr. Tibbitts stated that it is that time of year where he has to submit all of his department budgets to the BOCC, the BOCC has asked that departments not ask for increases this year. They have had declines in their budgets over the last few years, which is a good thing, and he is anticipating a flat budget for NRAC this year. Mr. Tibbitts asked the board if they had any special projects or interests that they would like accomplished this year. A lot of their budget is salary and wages to help cover the secretary's hours worked during their meetings. They have a contract services budget of \$1,000.00 and in the past that budget has been up to \$40,000.00 for special projects but this year they have only used \$1,000.00 for a membership fee. The total NRAC Budget this year was \$19,250.00 which includes contract services, meeting expenses, telephone, travel, and as of today they have only spent \$2,647.00. Mr. Tibbitts recommends that the board go with a flat budget that will be the same as last year.

Mike Protani moved to request a flat NRAC Budget that is the same as last year for Fiscal Year 2018. Mr. Rebaleati seconded, motion carried unanimously.

2017 NRAC Priorities

Discuss and consider priorities for NRAC to address in 2017.

Mr. Tibbitts stated that it is a new year and around this time they discuss what they would like to accomplish for the year. The RS-2477 target that they discussed last year is still at the top of the list but no much progress has been made on that because they are waiting on direction from the Attorney General. The Attorney General needs to put together a process for the RS-2477 roads and tell the counties how to get that process completed at the county level, all they can do is wait until that is done. Mr. Tibbitts stated that if the board has any other issues that they would like to target for the year, please let him know.

Mike Protani stated would it be worthwhile for Mr. Tibbitts to put together a list of what the top ten issues/priorities are from Mr. Tibbitts' perspective for the board could consider.

Mr. Slagowski stated that he would like to have an expert on the Navy deal come in and talk to the board about property rights, private airspace, and airspace for land use. It would help the board better understand what the Navy is trying to do.

Next Meeting-

Items suggested for the agenda include: 2017 Legislation, updates on motions made, and ongoing agenda items. The board should get any other desired agenda items to Mr. Tibbitts for the next meeting.

The next meeting is scheduled for February 8, 2017 at 6:00 P.M.

Public Comment

None.

Adjourn— The motion was made by Mr. Slagowski and seconded Mr. Damele to adjourn the meeting. There being no further discussion, the meeting was adjourned at 8:30 p.m.

Approved this _____ day of _____, 2017.

Respectfully submitted: _____
Jessica Santoyo, Secretary

Approved: _____
Jim Baumann, Chairman