

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

The Eureka County Natural Resources Advisory Commission (NRAC) held a public meeting on February 10, 2016, at 6:00 p.m. at the County Administrative Facility, Eureka, Nevada.

**Members Present:** Chairman Jim Baumann, Paul Etzler, Gary McCuin, Mike Protani, Leo Damele, and Ken Conley

**Members Absent:** Mike Rebaleati, Carl Slagowski, and Jim Wise

**Others Present:** Eureka County Commission Chairman-JJ Goicoechea, Eureka County Natural Resources Manager-Jake Tibbitts, Natural Resources Secretary-Jessica Santoyo, Eureka County Hydrogeologist-Dale Bugenig, Diamond Mine-Ari Erikson, Ruby Hill Mining Company LLC-Matt Zietlow, and Ruby Hill Mining Company LLC-Carrie Dubray

**Call to Order**

The meeting was called to order by Chairman Baumann at 6:03 p.m., a quorum was determined to be present.

*\*Agenda item taken out of order at the chairman's discretion.*

Moved per chairman request.

**Mining**

*Update on Ruby Hill Mine plans and activities, new ownership, and introduction of key personnel of Waterton Mining/Ruby Hill Mining Company.*

Matt Zietlow stated that he is the Director of US and Environmental Affairs for the Elko Mining Group which is one of the subsidiaries of Waterton Mining. As of December 17, 2015, they started the process of integration at Ruby Hill Mine. Ruby Hill had about 14 employees, half of them left, and half of them stayed. The immediate plan is to get their hands on everything that Barrick had stopped doing in 2013, when the slide happened. The new official name of the mine is Ruby Hill Mining Company LLC and it includes all of the same properties as before.

*Discuss mining projects and activities in and affecting Eureka County and consider response to any related issues.*

Jake Tibbitts stated that they are still working with the Bureau of Land Management (BLM) to get a Memorandum of Understanding (MOU) signed on the McEwen Gold Bar mining project and as of today they do not have that in place. This isn't a good because they can't even agree on the language for the MOU and Eureka County is supposed to be a cooperating agency on this deal. They have been working on the MOU for over a month and he was told that they would receive some type of update but he still hasn't heard anything.

**Public Comment**

None

**Commission Business**

*Review and approve minutes from the January 19, 2016 meeting.*

Mike Protani moved to approve the minutes as written from the January 19, 2016 meeting. Gary McCuin 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.*

Mr. Tibbitts covered the following correspondence and natural resource issues.

- The Interested Public Mailing lists letter from the Ely BLM was received. The letter basically asks if they 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 (NRD) puts together the letter for all of the BLM districts and includes all of the NRAC members to be listed as interested individuals. After brief discussion, the board agreed to have a letter written for the interested public mailing lists to the BLM districts that are within Eureka County.
- The legislature recently put a sub-committee to study water into place and Pete Goicoechea has been named the chairman of the sub-committee. The sub-committee met last week and Mr. Goicoechea is setting the agendas on what they will talk about. The whole point of the sub-committee is to address outstanding water issues in the state from drought to water legislation. The sub-committee is hosting the meetings throughout the state, the first meeting was in Las Vegas, and the next meeting is scheduled for March 9, 2016 in Winnemucca. The Winnemucca meeting will focus on agricultural related issues.
- The Legislative Committee on Public Lands, started their meetings and they tend to address a lot of the issues that are important to Eureka County. Eureka County usually get invited to participate in the meetings but they do not know which meeting they will be invited to participate in yet. Their next meeting is scheduled for February 16, 2016 in Las Vegas and April 15, 2016 in Winnemucca.
- Last year, they received a notice from the BLM Battle Mountain District regarding moving forward with taking nominations for oil and gas leases. In order for any blocks of public land to be offered for oil and gas leases they have to be nominated. Once they are nominated the BLM conducts an Environmental Analysis (EA) to determine whether those parcels can continue to move forward in that process. Last fall there were lands in Eureka County that were nominated for this process and they were all located by the Fish Creek Ranch in Little Smokey Valley but none of those lands moved forward. The reason BLM didn't allow them to move forward was because of the Greater Sage Grouse (GSG). There are some lands that did move forward and they will be going into auction in June.
- The Obama Administration just released their budget. The budget is proposing that the cost per Animal Unit Month (AUM) go up to \$2.50 from \$2.11. They are also proposing that mining be moved to the royalty based system instead of the claim based system. There is a big asterisk on this item because the president can propose it but the law doesn't allow it, it is just to force conversations. Senator Reid is not running this year and he was very influential about not allowing mining laws to be changed. As for the Wild Horse and Burro budget, they are asking for \$500,000 less than what was received year. This only shows that they will not be conducting any wild horse gathers this year. Payment in Lieu of Taxes (PILT) has asked for \$180 million dollars which is more than what was appropriated last year for PILT. The Land and Conservation Fund is the fund where they give the Department of Interior money to go buy public land and privatize it, they are asking for \$257 million dollars.
- Rich Adams with the Elko BLM is retiring and Melanie Peterson will be replacing him as the acting Field Manager. They can place Ms. Peterson on a future agenda as a formal item so she can come to the meeting and introduce herself.
- Shawna Richardson sent an email stating that BLM has an inventory flight scheduled for the Diamond Complex from March 1-3, 2016 to get an idea of what is out there. They

will also be conducting general resource flights of the Mt. Lewis Herd Management Areas (HMA's).

### **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 (including funding contributions), NV Sagebrush Ecosystem Program and NV Greater Sage-Grouse Conservation Plan.*

Mr. Tibbitts stated the litigation that Eureka County is involved in with the other eight counties, mining interests, and the Attorney General (AG) is still moving forward. Eureka County's attorney currently has the administrative record and is reviewing it. There are a lot of emails and technical documents discussing the concerns that they had regarding the economic analysis. One of them even acknowledged that the science that they were trying to apply to the Great Basin couldn't be applied here. Last week Utah sued the GSG plan and they are receiving a lot of support from Utah. The notice to sue is very well written and they make some great points that frankly they didn't bring up in NV. Governor Sandoval released a statement and a scoping letter on GSG focal areas that are in the north-end of the state. The Governor's letter states, "he took Secretary Jewell at her word, she promised a lot of things and if the folks at the Department of Interior don't come to the table and work on everything that was promised he has no choice but to litigate." This is the first time he has mentioned anything about litigation and this is very positive.

JJ Goicoechea stated there is a council meeting on February 12, 2016, the BLM and the Forest Service (FS) are on the agenda to present how they will implement the plan. They will also receive an update on the Conservation Credit System (CCS) program and what projects have been submitted.

Mr. Tibbitts stated he did submit letters of intent for the CCS program. He submitted letters of intent for the Hurt Farm, Frenchie Flat outside of the Bank Enabling Agreement (BEA), Jim Baumann's property, Lenny Fiorenze's property, and Jim Wise's property.

### **Grazing**

*Discuss and consider action on recent BLM grazing decisions in and/or affecting Eureka County.*

Mr. Tibbitts stated two years ago the AUM cost was \$1.35, last year it was \$2.11, and this year they want to raise it to \$2.50. The problem is that they impose the fee on the previous year's market conditions, when the market conditions are sliding down they are paying higher AUM's. For the most part, the formula that is used is pretty friendly to the industry. During their last meeting, they discussed fire closures one in the Ely District for the Diamond Fire and one in the Elko District for Squaw Valley, Dixie and the Boulder fires. Mr. Tibbitts stated the letters regarding these fire decisions were sent to the corresponding districts. *(Copies of the letters are available upon request.)*

### **Water Resources Master Plan**

*Discuss Draft Water Resources Master Plan and consider items and language to add, delete, or augment.*

Dale Bugenig stated that he met with the Planning Commission (PC) on Monday and reviewed all of their comments. The PC had comments on chapter eight of the plan which is the main section of the plan, they want him to look into what option four may look like. Option four would be a limited use classification that would give them some control over local large projects. The NRAC board suggested at their last meeting to include a sub-section on

maintenance and what triggers a re-write. Mr. Bugenig stated that he will make an attempt to describe option four regarding limited land use planning. The majority of the PC would like to see how option four will flush out and it can potentially stay in the plan as a recommendation. Everything is up to them but by having option four it can give them the sense of control on what they can do with large projects that can potentially injure existing water users.

After brief discussion the board members decided to contact Mr. Bugenig with their comments and meet with him at his office.

Mr. Bugenig stated that he will have a revised chapter eight by their next meeting.

Mr. Tibbitts suggested changing the title to Eureka County Hydrologic Atlas and Master Plan. The NRAC board will met on March 9, 2016 and they can review the updated chapter eight language.

**Next Meeting-**

Agenda items for the following meeting include Water Resources Master Plan and memberships. The board should get any other desired agenda items to Mr. Tibbitts for the next meeting.

The next meeting is scheduled for March 15, 2016 at 6:00 P.M.

**Public Comment**

Mr. Goicoechea stated that for their next agenda he would like them to review the current memberships that they pay dues for that deal with natural resources. They are pretty much at an all-time low and they need a recommendation from this board on what memberships should or could be considered moving forward. Mr. Goicoechea stated Barrick, Newmont, and Marigold have all petitioned the court to intervene in the lawsuit with the Pershing County Water Conservation District versus the upstream water users.

**Adjourn**– The motion was made by Ken Conley and seconded by Leo Damele to adjourn the meeting. There being no further discussion, the meeting was adjourned at 7:38 p.m.

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Respectfully submitted: \_\_\_\_\_  
Jessica Santoyo, Secretary

Approved: \_\_\_\_\_  
Jim Baumann, Chairman