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

The Eureka County Natural Resources Advisory Commission (NRAC) held a public meeting on March 15, 2016, at 6:00 p.m. at the County Administrative Facility, Eureka, Nevada.

Members Present: Chairman Jim Baumann, Paul Etzler, Mike Protani, Leo Damele, Ken Conley, Jim Wise, Mike Rebaleati (via phone conference), and Carl Slagowski (arrived 6:10 p.m.)

Members Absent: Gary McCuin

Others Present: Jake Tibbitts- Eureka County Natural Resources Manager, Jessica Santoyo- Natural Resources Secretary, Dale Bugenig- Eureka County Hydrogeologist, Ari Erikson- Diamond Mine, and Ty Erikson- Diamond Mine

Call to Order

The meeting was called to order by Chairman Baumann at 6:05 p.m., a quorum was determined to be present.

Public Comment

None

Commission Business

Review and approve minutes from the February 10, 2016 meeting.

Jim Wise moved to approve the minutes with corrections from the February 10, 2016 meeting.

Leo Damele 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 resource issues.

- Kent Bloomer with the Bureau of Land Management (BLM) Battle Mountain District sent over his monthly report with BLM updates. Mr. Bloomer will be leaving the BLM and Kyle Hendrix the Public Affairs Officer (PIO) has been assigned the duty of providing the updates to the board.
- There is currently a full blown adjudication going on in Diamond Valley (DV). The NV State Engineer put out a notice regarding the taking of proofs and that deadline is May 15, 2016. The process will also finalize any rights that the Federal Government has in DV. Therefore, the BLM has filed for their public water reserves and many of those are right on top of other rights. The BLM had also put in a request to the State Engineer to extend the deadline for the proofs until the end of the year and the State Engineer has denied that request.
- The Sub-Committee to Study Water which is chaired by Pete Goicoechea met and the main topic was the Humboldt River Basin. Presentations were provided during the meeting by the mining industry, the Pershing County Water District, domestic well owners, and the State Engineer. During the State Engineer's presentation, he asked the Committee to bring forth legislation that would make it very clear what authorities the State Engineer has on granting water rights contingent on mitigation. The State Engineer is basically looking for a legislative fix for the Supreme Court decision regarding General Moly and Kobeh Valley Ranches. The argument has always been that if there are known impacts, there needs to be a mitigation plan up front.

DRAFT

- The Legislative Committee on Public Lands will be meeting in Winnemucca, Caliente, and Elko. Eureka County has been invited to present at the Elko meeting in July.
- BLM is updating their planning regulations and they are calling it Planning 2.0. Basically, this allow BLM some wiggle room to put in regulations on how BLM will implement the Federal Land Policy and Management Act (FLPMA). BLM is trying to get Planning 2.0 by saying that it will increase public participation. In reality, what BLM means by public participation is giving the outside individuals more voice it is not local the voice that BLM is aiming for. The comments on the Planning 2.0 is due back by April 25, 2016.

Budget

Discuss and consider items to be requested of County Commission for fiscal year 2016-2017 budget.

Mr. Tibbitts put together this current fiscal year's spending for the NRAC board and he went through all of the budget items for this year and what is proposed for next year. Items covered are as follows:

- Salaries, Wages, and Benefits: Current Budget- \$7,000.00 Proposed Budget- \$6,000.00
- Services and Supplies: Current Budget- \$500.00 Proposed Budget- \$800.00
- Contract Services: Current Budget- \$12,000.00 Proposed Budget- \$10,000.00
- Miscellaneous Office: Current Budget- \$1,650.00 Proposed Budget- \$1,650.00
- Travel/Training: Current Budget- \$800.00 Proposed Budget- \$800.00
- Overall Current Budget: \$21,950.00 Proposed Budget (FY 16-17): \$19,250.00

Mr. Tibbitts stated that the board also needs to consider the memberships that they are involved with and if they should continue being members. The following memberships were covered:

- Humboldt River Basin Water Authority (HRBWA) is a local government entity that has to follow open meeting law. The HRBWA has authorities similar to a local government. The whole intent of this group is that if there is a major suit that costs \$50,000.00 and counties want to be involved, they all pay membership dues, and they don't have to pay the whole cost of the suit. Currently, the cost is \$12,000.00 but the county has been informed that the cost is going down to \$10,000.00.

Carl Slagowski stated the HRBWA mentioned that they would reduce the membership fee back to \$10,000.00 but he isn't sure if there is a big benefit of being a member. There is some benefit to it but is it worth \$10,000.00 in value.

*Mr. Slagowski recommended that the HBRWA is a very low priority but if there is some room in the budget the Eureka County Commission can look into paying the membership contingent on funding availability. Ken Conley seconded, motion carried unanimously.

- Central Nevada Water Authority (CNRWA) is involved in many good things, this entity was started by Eureka County. The CNRWA's Executive Director is Steve Bradhurst, Mr. Bradhurst does a lot of good things through the CNRWA and he never bills for the entire time that he is working. The CNRWA also has an active water monitoring program. The cost to renew their membership is \$7,500.00.

DRAFT

*Mr. Conley recommended that the CNRWA membership renewal fee of \$7,500.00 be renewed for the upcoming year. Mr. Damele seconded, motion carried unanimously.

- Western Counties Alliance (WCA) membership dues have been paid out of the NRAC budget in the past. WCA waived this year's membership fee for Eureka County. The membership fee is \$2,500.00 but WCA allows entities to pay what they think is fair for WCA's services. Mr. Tibbitts recommended that Eureka County continue as a member of the WCA, pay a membership fee of \$1,500.00, and have the renewal fee come out of the current budget before June 30, 2016.

*Mike Protani recommended the WCA membership renewal fee of \$1500.00 be renewed for the upcoming year and that the membership fee come out of the current budget before June 30, 2016. Mr. Conley seconded, motion carried unanimously.

- American Lands Council's (ALC) president is a State Senator from Montana. The ALC offers lower cost membership options such as their government rate of \$1,000.00. Mr. Tibbitts recommended that the NRAC board pay the reduced membership before June 30, 2016 and that next year the NRAC board re-evaluates to see if the membership is still worth it.

*Paul Etzler recommended the ALC membership renewal fee of \$1,000.00 be renewed for the upcoming year and that the membership fee come out of the current budget before June 30, 2016. Mr. Wise seconded, motion carried unanimously.

- The Natural Resource Multiple-Use Protection Fund (NRMUPF) was created last year at this board's request and it was put into place by the Eureka County Commissioners. There is currently a tax rate that was built into the NRMUPF that is coming out of the current budget. Due to the current retraction the Eureka County Commissioners need to reduce or eliminate the funds that are going into the NRMUPF account. Each year during the budget process, the commissioners decide how to distribute the tax rate and some of it goes into this fund. This year's proposal will most likely eliminate the funds that are going into the NRMUPF.

Mr. Conley stated that if the commissioners eliminate putting money into the account for one year it could jeopardize the whole program. Mr. Conley recommended that the commissioners commit something to go into the fund this year.

Mike Rebaleati stated many years ago, the commissioners used the net proceeds revenues for infrastructure. The county has advanced greatly in getting all of the infrastructure done and there probably isn't any major infrastructure left to be done. The commission could consider carving funds out of the net proceeds, create a new policy, and dedicate some of those funds directly to the NRMUPF.

*Mr. Conley recommended that per the justifications that were discussed, the NRAC board recommends that the commission consider the continuation the NRMUPF with some type of contribution into the fund at the discretion of the commissioners. Mr. Slagowski seconded, motion carried unanimously.

DRAFT

Mr. Tibbitts stated there is current discussion going on about the potential to increase taxes. If taxes do get raised, the NRAC board needs to weigh in and help determine what the funds should be used for.

Mining

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

Mr. Tibbitts stated last September the Supreme Court remanded the decision back to District Court regarding General Moly and Kobeh Valley Ranches. The Supreme Court stated that the applications should not have been approved until a plan to mitigate was in place. A week ago the District Court released their findings that the applications are all being denied and the mitigation plan doesn't stand, basically the applications don't exist. Kobeh Valley Ranches anticipated this decision from the District Court and re-filed on all of the applications. The unfortunate thing is that Kobeh Valley Ranches only changed the dates on all of the applications instead of considering a new strategy moving forward. Mr. Tibbitts stated Eureka County finally received the signed Memorandum of Understanding (MOU) from the BLM to be a cooperating agency on the Gold Bar project. Gold Bar is currently working through the permitting process but because of Greater Sage Grouse (GSG) they have had to re-evaluate their plan of operations. Mr. Tibbitts stated they met with the Erikson's to discuss the options of removing Eureka County's protests on the Erikson's water rights applications. Eureka County has a good path moving forward in removing the water right's protests.

Ty Erikson stated that the Diamond Mine just completed the geo-chemical analysis of the rock and it provided very favorable results. Diamond Mine will be submitting their Plan of Operations and Explorations in the next 30 days, they have all of the basic information ready to go. Mr. Erikson stated that they will not be processing on site and they hope that in the next 18 months to 2 years they can pull some rock out for bulk sampling and begin generating some revenues. Mr. Erikson stated that they really appreciate the continued support from the county and that there relationship will be mutual and beneficial.

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 there is nothing new regarding GSG. Through the Conservation Credit System (CCS) two projects have been selected from this area. The first project site is Fish Creek Ranch and the second project site is Simpson Creek Ranch. Mr. Tibbitts stated that he will meet with the two chosen project locations and discuss a plan moving forward.

Grazing

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

Mr. Tibbitts stated around this time of year, the annual authorizations and turnout decisions are usually being released. Eureka County is not in drought, the drought monitor says they are in abnormally dry conditions. The Drought Environmental Assessment that BLM has been making decisions on states that the drought will be considered done when abnormally dry conditions are reached. There currently aren't any decisions out but he wants to inform the board of the situation with Richie McKay. Mr. McKay is out on the Snowball Allotment and there has been a dispute over water out there. The only water out there for grazing comes from the Hick Springs. Recently, the BLM went out and fenced the spring and didn't pipe out any water in order to be

DRAFT

able to graze out there. Now the cows can't get any water out of there because BLM didn't add a gate to the enclosure. Mr. McKay along with Eureka County will be meeting with the BLM to discuss all of the issues regarding the Snowball Allotment and try to find some solutions out there.

Water Resources Master Plan

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

Dale Bugenig stated every comment that has been submitted by the Planning Commission and the NRAC board has been addressed already. Basically the plan is moving towards the end and it is almost complete. Mr. Bugenig stated one of the stumbling blocks that he has had to deal with was Section Eight by adding a fourth option to the water management alternatives. Mr. Bugenig has received legal consult on how to appropriately write this last alternative and he is still working on it. The plan is not regulation it is just going to be available as an alternative for the commissioners to use if they want to.

Next Meeting-

Agenda items for the following meeting include Planning 2.0, biochar, CCS, Barrick Enabling Agreement, budget update, and potential predation projects.

The board should get any other desired agenda items to Mr. Tibbitts for the next meeting.

The next meeting is scheduled for April 13, 2016 at 7:00 P.M.

Public Comment

None

Adjourn– The motion was made by Mr. Conley and seconded Mr. Slagowski to adjourn the meeting. There being no further discussion, the meeting was adjourned at 8:24 p.m.

Approved this _____ day of _____, 2016.

Respectfully submitted: _____

Jessica Santoyo, Secretary

Approved: _____

Jim Baumann, Chairman