

**EUREKA COUNTY BOARD OF COMMISSIONERS**  
**January 20, 2011**

STATE OF NEVADA            )  
                                      :SS  
COUNTY OF EUREKA        )

**CALL TO ORDER**

The Board of Eureka County Commissioners met pursuant to law on January 20, 2011. Present were Chairman Leonard Fiorenzi, Vice Chair Mike Page, Member Jim Ithurrealde, 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 noted some minor changes to the agenda – removal of item #3 under Finance, item #2 under Minutes, and deletion of the Eureka Medical Clinic report. With those changes, Commissioner Ithurrealde motioned to approve the agenda; Commissioner Page seconded the motion; motion carried 3-0.

**PUBLIC COMMENT**

Chairman Fiorenzi called for public comments. Mark Moyle read the following letter into the record:

*Diamond Natural Resources Protection  
and Conservation Association  
Water Committee Chairman*

01/20/2011

Eureka County Commissioners  
RE: Support for Eureka County Irrigators

Dear County Commissioners,

I would like to personally thank you and commend you for your support of Eureka County’s Irrigators and long time citizens. Your efforts to protect and defend the natural resources and concerns of Eureka County from the harm that the proposed Mount Hope, General Moly Mining Venture will impose on our citizens has been outstanding.

You have stated that you are not against the General Moly Project but want to make sure that it is done right. That is the correct position you should take and I commend you for it. Time and time again General Moly has made promises and commitments to the Eureka County citizens only to back out or make excuses. One example is the subdivision project; another is the Eureka Producers Co-op agreement. Let’s not forget how much time, money and effort we have all put into this project only to be misled and deceived and negotiated with in bad faith. We must continue to hold our ground and not back down from our commitment to our citizens and what is good and right for Eureka County.

We are all hopeful that General Moly will quit its attempts to deceive our citizens and at some point understand that it must work in **good faith** in order to reach solutions. If General Moly truly wants to have a successful mine project they should step up, listen and then commit to doing the simple things we have asked of them. Eureka County has not been unreasonable or difficult, General Moly on the other hand has been.

I want to encourage the Eureka County Commissioners not to back away from what you have committed to in your support of the Diamond Valley Irrigators and DNRPCA. You must continue to support us as we support

you in an effort to do what is right and fair for our citizens. If General Moly does not commit to doing what we have asked of them, then we must continue the protest of their water permits and the EIS process.

DNRPCA is committed to work with the Eureka County Commissioners and General moly. We have made contact with General Moly's legal counsel and committed to work with them through legal counsel. General Moly's legal counsel responded with the same old let's sit down and talk with general management in Eureka story. We told them that was not acceptable. We have not heard from them since.

DNRPCA would like the Eureka County Commissioners to advise General Moly, perhaps with a letter from Karen Peterson, that you expect General Moly to settle with DNRPCA as part of your expectations in order for Eureka County to drop its water protest.

Again I would like to thank you for all you have done to protect the concerns of all of the citizens of Eureka County. You have done a fantastic job.

Sincerely,

Mark Moyle  
Chairman, DNRPCA Water Committee

Ken Conley, resident of Diamond Valley, stated he supported Mr. Moyle's comments and asked for the continued support of the Board of Commissioners and Eureka County.

District Attorney, Ted Beutel, informed of two items that will be considered in the 2011 Nevada State Legislature, and he encouraged the Board to submit letters of opinion. The first is AB45, Esmeralda County's bill draft request, which could dramatically reduce the number of work days required from their District Attorney; the problem is they have included Eureka County in that reduction. The second item is a proposal to make drugs that are precursors to methamphetamine (and currently sold in over-the-counter cold medicines) available by prescription only. The Board agreed to include these items on the next regular agenda. Chairman Fiorenzi commented that he might not be in favor of further limiting purchase of cold medicines because of the hardship it will place on honest people using the medicine as intended.

Bob Pennington of General Moly addressed the Board. Mr. Pennington will act as General Manager of Eureka Moly until a replacement can be found for Tim Arnold who is leaving the company. Mr. Pennington felt that Mr. Moyle's comments regarding Eureka Moly's unwillingness to cooperate were based on a misconception which he hoped to rectify by meeting directly with the irrigators. Counsel for Eureka Moly is also willing to speak with the residents.

Lloyd Morrison commended the Commissioners for their noble efforts to protect the citizens of Eureka County, *"...with all the mining activity that we have in Eureka County in the future, we know we are going to have burdens placed on our natural resources.... I really appreciate the vision that you guys have looking forward to the future, trying to provide a balanced community for our children and the citizens of this County. I know it is a hard job; it seems like these days everything's a fight."*

Sam Hicks, Eureka County Battalion Chief with NDF, provided a quick update. Training was conducted for the volunteers in November at the Eureka Fire Department and the Beowawe Fire Department. Upcoming training will include a HazMat class, wildland fire training, and first-aid training in Pine Valley in cooperation with EMS Coordinator, Mike Sullivan. Mr. Hicks has also begun working with Mike Rebaleati on the upcoming budget. Commissioner Page noted that he spoke with Mr. Hicks about training in Crescent Valley and would like his response on the record. Mr. Hicks replied that there have been no requests for training from Crescent Valley.

County Assessor, Michael Mears, reported on Governor Sandoval's surprise visit to the Courthouse on January 14<sup>th</sup>. He had the opportunity to speak with him regarding expansion of DMV services in Eureka County, including driver's license renewals, ID cards, address changes, written examinations for drivers' permits, etc. Governor Sandoval initiated a teleconference with the new DMV Director which resulted in setting up a meeting in February to discuss the possible expansion in services, which looks promising. These services can be provided at no cost or minimal cost to Eureka County.

Clerk & Treasurer, Jackie Berg, stated that she received notification in mid-January from the US Department of State that stricter regulations for Passport Acceptance Agents are going into effect on February 1<sup>st</sup>. Therefore, the Clerk's office will be unable to process passports after January 31<sup>st</sup> until staff completes the certification process, which will include training and submittal of identification documents. Ms. Berg plans to complete this as soon as she is fully staffed and hopes to be providing passport services again in a few months.

## **FINANCE**

Payment of Expenditures: Expenditures were presented for approval by Recorder & Auditor, Mike Rebaleati. Commissioner Ithurralde noted that the expenditures included a pass-through tax payment to the School District in excess of \$1 million and some large contractor payments. Commissioner Ithurralde motioned to approve expenditures in the amount of \$2,246,014.77 for accounts payable and \$238,847.59 for payroll, for a grand total of \$2,484,862.36; Commissioner Page seconded the motion; motion carried 3-0.

Commissioner Page motioned to approve Yucca Mountain expenditures in the amount of \$3,294.13; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Auditor's Report: Mr. Rebaleati presented the Auditor's Report for review. He noted that he attended the last meeting of the Television District to give them an update on their fund balance and advise them to curtail spending through the end of the fiscal year.

Credit Card Services Agreement: Mr. Rebaleati reported that the credit card service agreement is being updated to include the option of accepting flex spending cards for medical payments, specifically for ambulance bills. Clerk & Treasurer, Jackie Berg, added that they are taking the opportunity to change service providers at a cost savings to the County; the broker who oversees the contract and provides machine maintenance will remain the same. Commissioner Ithurralde motioned to approve the credit card service agreement with US Merchant Services for acceptance of credit and debit card payments; Commissioner Page seconded the motion; motion carried 3-0.

## **PUBLIC HEARING – EUREKA COUNTY CELL PHONE POLICY**

Notice was given to all County employees that the Board of County Commissioners would hold a public hearing at 10:00 a.m. on January 20, 2011, to hear employee/public comments and take action on a proposal to amend the Eureka County Personnel Policy by deleting paragraph 'e' of section '10.A.200' to remove the option of a \$20.00 per month reimbursement for use of personal cell phones for County business. The change was proposed on January 3, 2011, and a copy of the draft Resolution adopting the change was distributed to all employees and has been on file with the County Clerk for public examination.

Chairman Fiorenzi called for public comments regarding this policy change. There were none. Commissioner Ithurralde motioned to adopt the resolution making the changes to the cell phone policy; Commissioner Page seconded the motion; motion carried 3-0.

**RESOLUTION**  
OF THE EUREKA COUNTY COMMISSIONERS TO CONSIDER  
AMENDMENTS OF THE PERSONNEL POLICY DESCRIBED BELOW

WHEREAS, Title 2, Chapter 50 of the Eureka County Code allows the Board of Eureka County Commissioners to modify the Personnel Policy by Resolution; and

WHEREAS, on January 3, 2011, Commissioner Ithurralde proposed amending the personnel policy by deleting paragraph 'e' of section 10.A.200 as written below:

~~e. Nonessential Cellular Phone Reimbursement~~

~~With the exception of County vehicles with installed cellular phones, all Cellular phone use by employees will be reimbursed at a rate of twenty (\$20.00) per month. This reimbursement will only be done with the Department Head/Manager recommendation and approval from the County Commissioners.~~

NOW THEREFORE BE IT RESOLVED the Eureka County Commissioner propose to discontinue the reimbursement to employees for cellular phone usage due to the recent decision by the Board to provide certain employees with a County owned cellular phone.

AND BE IT FURTHER RESOLVED the Commissioners direct the Clerk to circulate this Resolution for review to all departments for distribution to County employees, requesting comment before January 20, 2011.

IT IS FURTHER RESOLVED a public hearing will be conducted January 20, 2011, at 10:00 a.m. to adopt, reject, or adopt with revisions or amendments this proposed change to the Policy.

IT IS FURTHER RESOLVED the Clerk shall publish notice of this public hearing once, at least ten (10) days before the hearing, in the Eureka Sentinel.

ADOPTED this 20<sup>th</sup> day of January, 2011.

/s/ Leonard Fiorenzi

Chairman of the Board  
Eureka County Commissioners

ATTEST: /s/ Jackie Berg  
County Clerk

## **COMMISSIONERS**

Update Reports: Commissioner Page attended the meeting with Nevada Rural Housing Authority on January 7<sup>th</sup>; the Crescent Valley Town Advisory Board meeting on January 12<sup>th</sup>; a meeting with the housing core group regarding the presentation for the public housing meeting; participated in a Nevada Works conference call on January 18<sup>th</sup> (and was appointed to their Executive Council); and attended a FIND meeting in Battle Mountain on January 19<sup>th</sup>.

Commissioner Ithurralde attended the special meeting on January 7<sup>th</sup>; participated in a teleconference with NACO Public Lands Natural Resources Commission on January 7<sup>th</sup>; worked on the slide presentation for the public housing meeting on January 13<sup>th</sup>; and attended the quarterly meeting in Crescent Valley on January 14<sup>th</sup>. Commissioner Ithurralde and Assessor Michael Mears will give a brief presentation to the Assembly Government Affairs Committee on February 16<sup>th</sup>.

Chairman Fiorenzi attended the special meeting on January 7<sup>th</sup>; and met with Nevada Rural Housing Authority on January 13<sup>th</sup> in preparation for the upcoming housing meeting.

Review Draft Power Point Presentation: Public Works Department Assistant, Kim Todd, presented the draft power point presentation for the public informational housing meeting

scheduled for January 26<sup>th</sup> at the Eureka Opera House. The Board and other staff reviewed the presentation in detail and recommended final changes.

## **COUNTY FACILITIES & ECONOMIC DEVELOPMENT**

Update Report: Wally, Cuchine, Cultural, Tourism & Economic Development Director, reported that Economic Development has begun preparations for the car show in May; the Sentinel Museum has been working to update several displays; the Opera House had a folk concert on January 14<sup>th</sup>, which was well attended. The next concert will feature Men of Worth, a Celtic group.

## **HUMAN RESOURCES**

Recommended Candidate for Cultural, Tourism & Economic Development Director: Human Resources Analyst, Jerry Larson, introduced Andrea Rossman, the candidate recommended by the Selection Committee as the replacement Cultural, Tourism & Economic Development Director. Mr. Larson stated that this was just a recommendation and the final selection was up to the Board.

Commissioner Ithurralde asked Ms. Rossman to give a little background on herself. Ms. Rossman stated she has worked as photograph curator for the Churchill County Museum for the past 8½ years, is a native Nevadan although she was raised in California, has a passion for history and a love of the State.

Set Salary & Benefits Package: Commissioner Ithurralde motioned to set the salary for the Cultural, Tourism & Economic Development Director at \$50,000.00 annually; Commissioner Page seconded the motion; motion carried 3-0. Commissioner Ithurralde motioned that the salary package be the same as other salaried employees of Eureka County, with effective dates as outlined in policy; Commissioner Page seconded the motion; motion carried 3-0.

Appointment of Cultural, Tourism & Economic Development Director: Commissioner Ithurralde motioned to approve Andrea Rossman as the new Cultural, Tourism & Economic Development Director; Commissioner Page seconded the motion. Before calling for the vote, Chairman Fiorenzi stated that he felt the complete process was mishandled; the Board was only given the application three minutes before a decision was expected even though this position will work directly for the Commissioners; but with that he voted in favor of the motion to show that Ms. Rossman will have the unanimous support of the Board. Motion carried 3-0 and Ms. Rossman will begin work on February 1<sup>st</sup>.

## **NATURAL RESOURCES**

Report on Activities and Natural Resource Issues: Natural Resources Manager, Jake Tibbitts, attended the NACO Public Lands Natural Resources meeting on January 7<sup>th</sup>; the US Forest Service Resource Advisory Council (RAC) meeting in Tonopah on January 11<sup>th</sup>; the Natural Resource Advisory Commission meeting and the Conservation District meeting on January 12<sup>th</sup>; the NEPA Committee meeting on January 13<sup>th</sup>; a portion of the quarterly meeting in Crescent Valley and the Humboldt River Basin Water Authority meeting in Winnemucca on January 14<sup>th</sup>; met with Assemblyman Pete Goicoechea and John Stout of the State Mineral Commission on January 19<sup>th</sup>; and attended the Crescent Valley Firewise meeting on the evening of January 19<sup>th</sup>.

NACO's Public Lands Natural Resources Committee adopted a resolution in opposition to Order #3310 issued by Secretary Salazar from the Department of the Interior. This order will allow agencies under the Interior, such as the BLM, to inventory the lands they administer and determine their wild characteristics, circumventing statutes passed by Congress. Mr. Tibbitts and Commissioner Ithurralde were instrumental in having the resolution require coordination with local lands and policies.

The Resource Advisory Council in Tonopah is accepting project proposals to utilize Title II money for improvement of forest or adjacent lands. The HRBWA has proposed a bill through Senator Dean Rhoads mandating a water right associated with pit lakes, and has issued a letter supporting Eureka County's bill draft request.

Although the Conservation District has already accepted him as a member, Mr. Tibbitts requested that the Board formally ratify him as the County's representative at the next meeting.

Assemblyman Goicoechea and Mr. Stout are visiting different counties throughout the State regarding their options with oil and gas leases. New technology is turning previously low-producing wells into prolific resources. White Pine and Nye Counties have already passed resolutions asking the BLM to support quarterly leases within each district (the option to lease currently rotates).

The Programmatic Solar EIS has been published with a 90-day comment period, concluding on March 15<sup>th</sup>. Mr. Tibbitts will review and comment on the chapters related to Eureka County.

Upcoming Meetings: The Eureka Firewise meeting is on January 21<sup>st</sup>. Crescent Valley is planning their Firewise Day on May 7<sup>th</sup> during Wildfire Awareness Week. On January 25<sup>th</sup>, the BLM is hosting a Resource Management Plan Open House at the Eureka Opera House. A Wildlife Advisory Board meeting will be held January 27<sup>th</sup>. Mr. Tibbitts and Dale Bugenig will travel to Carson City on February 1<sup>st</sup> to meet with Division of Water Resources staff regarding water planning, and will attend the Nevada Water Resource Association Conference in Reno February 2<sup>nd</sup>-3<sup>rd</sup>. A tri-county meeting is being coordinated between Eureka, Lander, and Nye Counties to discuss public lands and natural resource issues and will be held in Austin.

Certification of Title III Expenditures for Calendar Year 2010: Commissioner Ithurralde motioned to approve sending notification to the Secretary of Agriculture certifying expenditures for calendar year 2010, utilizing Secure Rural Schools and Community Self-Determination Act Title III funds; Commissioner Page seconded the motion; motion carried 3-0.

Yearly Notice to Federal Entities: Mr. Tibbitts explained that the Eureka County Code and the Master Plan both direct that notice be sent annually to federal entities regarding management of lands and resources within Eureka County. Mr. Tibbitts drafted notice to Doug Furtado, District Manager of the BLM; Steve Williams, District Ranger of the Forest Service; and Bob Williams, Field Supervisor for the US Fish & Wildlife Service. Commissioner Ithurralde motioned to send the annual notices to the federal entities regarding management of lands and resources within Eureka County as outlined in Title 9 of the Eureka County Code and Element 6 of the Master Plan; Commissioner Page seconded the motion; motion carried 3-0.

Response to BLM Posting of Personal Information: As part of a lawsuit filed in Idaho by Western Watersheds against the BLM, it was mandated that certain information related to grazing permittees and lessees must be released. The BLM is taking this one step further than ordered by the Court and has begun posting this personal information on their website. The Natural Resources Advisory Commission approved a letter and forwarded it to the Commissioners, requesting that this information be released according to the order, but not posted on a website. Commissioner Ithurralde motioned to approve signing the letter to the BLM requesting that personal information of grazing permittees and lessees not be posted on a public website; Commissioner Page seconded the motion; motion carried 3-0.

## **NEPA COMMITTEE**

Status of Mt. Hope Project EIS: The NEPA Committee met on January 13<sup>th</sup> but did not receive any updates from the BLM or General Moly regarding the 2<sup>nd</sup> Administrative Draft Environmental Impact Statement. Abby Johnson, EIS Coordinator, ran into Rich DeLong in Reno recently. Mr. DeLong is the third-party contractor that is preparing the EIS for the BLM. They are working on incorporating comments and concerns, but have yet to receive everyone's

comments following the three-day meeting in Battle Mountain (Eureka's comments were submitted within days of the meeting). The revised Administrative Draft EIS is now expected in late February or early March.

Air Quality Analysis: The HAPs Analysis (hazardous air pollutants) in the Mt. Hope Project EIS was received and forwarded to air quality expert, Kirk Wings. So far Mr. Wings has not found any glaring issues.

### **EUREKA COUNTY HEALTH INSURANCE COMMITTEE**

Request to Sponsor Basic CPR/First Aid Class for County Employees: Co-Chair, Kim Todd, and member, Cindy Garcia, stated that the Health Insurance Committee would like to have Eureka County co-sponsor a Basic CPR/First Aid Class for County employees, and allow employees, with supervisor approval, to attend the class during working hours with pay. Mt. Wheeler Power will provide a grant to cover the cost of the workbooks and Deseri Marshall and Mike Sullivan have agreed to teach the classes. This has generated substantial interest from the employees and the Committee proposes holding two classes in Eureka and one in Crescent Valley in late February and early March.

Commissioner Ithurralde motioned to support a voluntary 8-hour Basic CPR/First Aid class available to all County employees, with supervisor approval, to be held during working hours with pay; Commissioner Page seconded the motion; motion carried 3-0.

### **LEASE OF PROPERTY LOCATED AT 180 SOUTH MAIN STREET IN EUREKA**

Lease with Eureka Veterinary Clinic, LLC: Pursuant to NRS 244.2815, a public hearing was held on January 3<sup>rd</sup> and a resolution was adopted authorizing lease of County property located at 180 South Main Street in Eureka for the purposes of a small animal veterinary clinic. The Board reviewed the terms of the two-year lease as previously negotiated with Darla Baumann, DVM. Commissioner Page motioned to approve the two-year lease with Eureka Veterinary Clinic, LLC (Darla Baumann, proprietor), for the property located at 180 South Main Street in Eureka, and to authorize the Chairman to sign the lease outside of the meeting; Commissioner Ithurralde seconded the motion; motion carried 3-0.

The Board also congratulated Ms. Baumann for her recent appointment to the School District Board of Trustees.

### **AMBULANCE & EMS**

Update Report: EMS Coordinator, Mike Sullivan, reported on emergency services over the past month. Since the last report on December 20<sup>th</sup>, Eureka had seven calls for service (four in January) and Crescent Valley had nine calls (one in January). There were 228 total calls in 2010, with 134 in Eureka and 94 in Crescent Valley, an increase of 23 over 2009's total of 205 calls. Mr. Sullivan reviewed volunteer staffing levels. Another Basic EMT has volunteered for the service in Eureka and Human Resources is completing new volunteer processing. Two students graduated from the EMT course in Eureka; they will be eligible to volunteer for the service once they pass the national registry test. A Basic EMT course will begin in Crescent Valley in late February or early March, pending State approval.

Continuing education was conducted in Eureka on January 3<sup>rd</sup> and in Crescent Valley on January 13<sup>th</sup>. The next training is scheduled in Eureka on January 31<sup>st</sup> and February 7<sup>th</sup> and in Crescent Valley on January 27<sup>th</sup> and February 10<sup>th</sup>. All EMT license certification renewals were submitted on time. The Elko office received in excess of 1,000 renewals in December, so turnaround on licenses may be slightly delayed.

Due to an abundance of caution by the manufacturer, the defibrillators used by the ambulance service were recalled and replaced without charge (with a failure rate of 8 million to one). Annual inventory and inspection will be conducted and software upgrades will be installed

on the public defibrillators. Mr. Sullivan has located defibrillators for the Pine Valley and Diamond Valley Volunteer Fire Departments and training will be conducted when the units are delivered.

On January 12<sup>th</sup> a traffic safety meeting was held with Public Works Director, Ron Damele; Physician's Assistant, Duke Gibson; Extension Educator, Gary McCuin; and Sheriff Ken Jones. The group discussed serious traffic accidents suffered in Eureka County over the past year and what initiatives could be undertaken to prevent or mitigate them. Numerous ideas were discussed, with some in the process of being implemented.

Ambulance Bill Write-Off: Commissioner Page motioned to approve ambulance bill write-off for patient #2006519 in the amount of \$105.48; Commissioner Ithurralde seconded the motion; motion carried 3-0.

### **SWIMMING POOL / PARKS / RECREATION**

Update Report: Parks, Recreation & Facilities Director, Cindy Adams, reported on activities over the past month. The Swimming Pool had 548 total swimmers. There were 17 participants in the Red Cross Learn to Swim Program, including two adults. Eight students completed the 34-hour Lifeguard Instructor course in December – Marissa Torres, Lydia Bond, AJ Zunino, Logan Cantrell, Alex Porter, John Hoehne, and Michelle Rebaleati. Ms. Adams also trained two Instructor/Trainers – Eneritz Eskandon and Ashley Adams. The AquaClimb Wall will be installed in about four weeks.

Buildings and grounds work has included painting and cleaning in the filter and pump room at the pool; snow removal on Main Street; cleaning and floor waxing at the Eureka Fire Station; cleaning or hauling off junk in other areas such as boiler rooms, the Ambulance Bay, the Diamond Valley Fire Station, the County warehouse, etc. All County fire extinguishers have been serviced and refilled.

The American Red Cross Memorandum of Understanding was signed by the School District Board of Trustees, making their facilities available in the event of a disaster.

### **JUSTICE COURT QUARTERLY REPORTS**

Eureka Justice Court: The Board reviewed the quarterly report from Eureka Justice Court. A total of \$213.00 in fees and fines was collected for the quarter.

Beowawe Justice Court: The Board reviewed the quarterly report from Beowawe Justice Court. A total of \$333.00 in fees and fines was collected for the quarter.

### **EUREKA COUNTY CLERK & TREASURER**

Clerk Quarterly Report: The Board reviewed the quarterly report from the Clerk which itemized all court filing fees, court fines, marriage licenses, passports, document and copy fees, and other miscellaneous fees. Total collected for the quarter was \$2,085.87.

### **REHAB SERVICES OF NEVADA**

Quarterly Report: Greg Barker, Director of Rehab Services of Nevada, provided a written report of rehabilitation services provided in Eureka for the quarter.

### **FIRE DEPARTMENT QUARTERLY REPORTS**

Eureka Fire Department: The Board reviewed the quarterly report from the Eureka Fire Department. There were three emergency calls, one for a fire alarm at the Best Western and two for vehicle accidents. Activities included extrication tools rescue training, checking and prepping the wild land trucks. and restocking the rescue unit.

Crescent Valley Fire Department: The Board reviewed the quarterly report from the Crescent Valley Fire Department. There are currently 14 members and 10 are active. Wild land

training has been conducted by Battle Mountain BLM and in-house. Structure training was conducted in-house. The three large doors at the front of the station have been winterized, although the bottoms have not been sealed and rain or melting snow does run into the front bay area.

### **RECESS FOR LUNCH**

The Board recessed for lunch from 12:05 p.m. to 1:00 p.m.

### **KLONDEX GOLD & SILVER MINING COMPANY**

Update on Fire Creek Project: Larry Wilson, Environmental Coordinator, and Doug Carter, Surface Superintendent, gave a report on status of the Klondex Gold & Silver Mining Company, Fire Creek Project, in northern Eureka and Lander Counties. Their parent company is Klondex Mines, Ltd., in Vancouver, Canada, and their local offices have recently moved from Winnemucca to Elko. President/CEO is Blaine Wilson.

The Fire Creek Project was previously mined as an open pit operation. Klondex is currently in the final phase of permitting and they have been working very closely with the BLM and other agencies to make sure everything is in compliance. The soil disturbance permit is in place, and the water pollution control permit has gone to public comment through February 4<sup>th</sup> and no significant comments are expected. The waste repository will be put in as soon as the water pollution control permit is approved; contractors are on line to do that work. The underground contractor (SMD) is also in place. Part of the portal is exposed and construction of the portal should be completed around March 1<sup>st</sup>, allowing underground access. Klondex has contracted Western Cultural Resources Management, a reputable archeology company that is working closely with the BLM regarding any archeological issues.

Ore should be ready to transport by the end of 2011 under a bulk sampling permit. The permit is already in place and limits them to 36,500 tons a year and 120,000 tons total. Plans are to stockpile 5,000 tons this first year and move it in one batch at the end of the year, moving 10 to 15 truckloads a day over a ten-day period. Full production isn't anticipated for at least two years. A permit is in place for dewatering through the portal, although they aren't expecting to encounter enough water to require a lot of dewatering. Both the storm pond and dewatering pond are designed for a 100-year event, and are double-lined and have a leak detention system.

Klondex has been talking with Ron Damele about a joint effort to upgrade 1.8 miles of 10<sup>th</sup> Street just north of Crescent Valley, which leads to their operation.

### **PUBLIC WORKS**

Cooperative Upgrades to 10<sup>th</sup> Street: Public Works Director, Ron Damele, explained that a cost estimate of \$110,000.00 was prepared for a cooperative project with Klondex Gold & Silver Mining Company to upgrade 1.8 miles of 10<sup>th</sup> Street in Crescent Valley. Klondex will contract directly with John Davis Trucking and the County will obtain the material and water, compact it, and provide traffic control. If approved, this project could start as early as February. Commissioner Page motioned to approve the 1.8 miles of upgrades to 10<sup>th</sup> Street in Crescent Valley in cooperation with Klondex Mining as described by the Public Works Director; Commissioner Ithurralde seconded the motion; motion carried 3-0.

Report on Eureka Historic District in Relation to Purchase of BLM Land: Mr. Damele further researched the BLM land encumbered within the boundaries of the Eureka Historic District. The historic district was nominated in 1972 or 1973 and shown by a rectangle drawn on a map. This caused inclusion of the land that the County is interested in obtaining from the BLM and possibly other land that will be required in the future for the landfill expansion. The State Historic Preservation Office has been contacted and the County will request that the boundary

be redefined to encompass the actual townsite only. This will likely require a survey, an archeological study, and an environmental assessment. A cost estimate and timeline will be prepared for the Board's review if they direct Public Works to move forward. Commissioner Ithurralde motioned that Public Works move forward with determining requirements and cost estimates to redefine the Eureka Historic District boundaries; Commissioner Page seconded the motion; motion carried 3-0.

Proposal from JBR Environmental: This proposal was tabled until the overall cost estimate to redefine the historic district boundaries is completed by Public Works.

Status of Recreation & Public Purposes Application: An application was submitted to the BLM approximately 18 months earlier to obtain land for expansion of the Eureka Landfill. The area is encumbered by mining claims and the application will remain in limbo until those claims are relinquished. The Board directed Mr. Damele to research other options and report back in the future.

Resolution in Support of July 4<sup>th</sup> Activities in Town of Eureka: A permit is now required from the Nevada Department of Transportation to close off a portion of Main Street in Eureka for the 4<sup>th</sup> of July activities. A resolution supporting the events will be submitted to NDOT with the application. Commissioner Ithurralde motioned to adopt a resolution supporting the 4<sup>th</sup> of July activities in the Town of Eureka for submission with the application to NDOT; Commissioner Page seconded the motion; motion carried 3-0.

Eureka, Nevada	January 20, 2011
<b>RESOLUTION</b> SUPPORTING THE TOWN OF EUREKA'S ANNUAL FOURTH OF JULY PARADE AND STREET EVENTS	
WHEREAS, the Board of County Commissioners, acting as the Board of Directors of the Town of Eureka, with the cooperation of the Eureka Volunteer Fire Department, has sponsored an annual 4 <sup>th</sup> of July Parade and Street Events for the 100 years; and	
WHEREAS, the Town of Eureka Parade and Street Events has always been held on a portion of State Highway 50 between Robin Street and Bullion Street in the Town of Eureka; and	
WHEREAS, Eureka County wants to ensure the economic, cultural, and traditional aspects of celebrating our nation's Independence Day in the Town of Eureka;	
NOW THEREFORE BE IT RESOLVED the Board of Eureka County Commissioners hereby supports the annual Town of Eureka Annual Fourth of July Parade and Street Evens and Eureka County assumes the responsibility of traffic control and will coordinate all related aspects of maintaining a proper detour from 9:00 a.m. to 2:00 p.m. during the 4 <sup>th</sup> of July events.	
ADOPTED this 20 <sup>th</sup> day of January, 2011.	
<u>/s/ Leonard Fiorenzi</u> Chairman of the Board Eureka County Commissioners	
ATTEST: <u>/s/ Jackie Berg</u> Jackie Berg, Clerk	

Automated Weather Observation System at Eureka Airport: Approximately ten years ago Automated Weather Observation System (AWOS) equipment was installed at the Eureka Airport. For the system to be in compliance with FAA regulations, the system must be inspected and maintained three times per year. The current vendor is no longer able to provide that

service, so proposals were solicited. All Weather Inc., who purchased the company that initially installed the equipment, provided a quote of a flat rate of \$4,000.00 annually. Avcom provided a quote of up to \$7,373.00 annually or as low as \$4,593.00, if the trip to Eureka could be consolidated with service trips to other customers. Commissioner Ithurralde motioned to accept the bid from All Weather Inc. for annual AWOS inspection and maintenance in the amount of \$4,000.00; Commissioner Page seconded the motion; motion carried 3-0.

Status of West Carlin Interchange Project: The draft agreement for this project is currently under review by Nevada Department of Transportation. The agreement should be returned to the County for review by mid-February. Sixty-percent plans for the project will take approximately 45 days, and construction is anticipated in Fiscal Year 2013.

## **EUREKA COUNTY SHERIFF**

Quarterly Detention Facility Report: Sheriff Ken Jones reported that the condition of the jail is fine. All construction has been concluded, including the work by Southern Folger on the locks and security doors. There were 13 new bookings for the quarter ending in December, and the jail housed a total of 17 inmates. There were a total of 342 inmate days, for an average of 3.76 inmates per day.

## **QUARTERLY DRUG REPORTS**

Sheriff's Report on Drug Related Arrests/Interventions: Sheriff Jones reported that there was only one drug related arrest for the quarter for possession of an ounce or less.

District Attorney's Report on Drug Related Convictions/Acquittals: District Attorney, Ted Beutel, reported on the following drug related cases (some resulting from Nevada High Patrol arrests): there were three citations in Eureka for possession of marijuana and all three forfeited their bail; there was one DUI drug related case that did not show for his court date and a failure to appear warrant was issued; there was one case of possession of a controlled substance of an ounce or less that resulted in a fine; and lastly, two were arrested in the same vehicle and pled guilty to felony possession and received court ordered diversion, which is an in-patient or out-patient substance abuse treatment program.

## **EUREKA COUNTY TELEVISION DISTRICT**

Quarterly Report: Dave Pastorino, President of the Eureka County Television District, provided a written report for the quarter. Chairman Fiorenzi asked about the statement in the report that said, "*... it is important that Eureka County recognize the need for accelerated funding of their digital television project.*" Mr. Pastorino explained that this was related to FCC construction permits which started in 2010 and will conclude in 2012. The goal is to complete the digital conversion under the existing permits and Mr. Pastorino described what would be required for Fiscal Year 2012, explaining that estimates are currently being worked on for the 2012 budget.

County Auditor, Mike Rebaleati, submitted a letter outlining his concerns over the Television District fund balance for the current fiscal year, stating he will discuss it in more detail during the budget meetings. With tax revenues and grants, the total adjusted Television District budget for Fiscal Year 2011 is \$404,336.00 and the Television District has already expended \$339,137.00.

Mr. Rebaleati cautioned that spending should be curtailed through the end of the fiscal year. Mr. Pastorino replied that the Television District would need to utilize contractor/consultant, Alan Greagor, for budget planning for the upcoming year. Mr. Rebaleati will stay in touch with the Television District regarding their remaining fund balance.

**APPROVAL OF MINUTES**

January 3, 2011: Commissioner Page motioned to approve the minutes of the January 3, 2011, meeting; Commissioner Ithurrealde seconded the motion; motion carried 3-0.

**CORRESPONDENCE**

Correspondence was received from: Diamond Natural Resources Protection & Conservation Assoc.; Carri Wright; District Attorney, Ted Beutel (2); Recorder/Auditor, Mike Rebaleati; Public Works Director, Ron Damele; Eureka County 4H News; Crescent Valley Town Advisory Board Secretary, Sandy Spoo; Nevada Gaming Control Board; Nevada Connections newsletter; and US Dept. of the Interior-BLM;

**PUBLIC COMMENT**

Chairman Fiorenzi opened the floor to public comment. Cindy Adams requested that the Board reevaluate the process they went through to hire the Cultural, Tourism & Economic Development Director, and also felt they should evaluate the person carrying out that process.

There were no further public comments.

**ADJOURNMENT**

Commissioner Ithurrealde motioned to adjourn the meeting at 2:05 p.m.; Commissioner Page seconded the motion; motion carried 3-0.

Approved this 7<sup>th</sup> day of February 2011.

/s/ Leonard Fiorenzi

Leonard Fiorenzi, Chairman

Attest: /s/ Jackie Berg

Jackie Berg, Clerk