

BOARD OF EUREKA COUNTY COMMISSIONERS
January 22, 2008

STATE OF NEVADA)
 : ss
COUNTY OF EUREKA)

CALL TO ORDER

The Board of Eureka County Commissioners met pursuant to law on January 22, 2008. Present were Chairman Jim Ithurralde, Vice-Chairman Kenneth Benson, Member Donna Bailey; District Attorney Theodore Beutel, and Clerk & Treasurer Jackie Berg. Chairman Ithurralde called the meeting to order at 9:33 a.m. The interactive video conference system was connected and utilized between Crescent Valley and Eureka for the entire meeting.

APPROVAL OF AGENDA

Commissioner Bailey motioned to approve the agenda. Commissioner Benson seconded the motion; motion carried 3-0. The Board agreed to postpone approval of the December 20, 2007, minutes to 1:00 p.m.

APPROVAL OF MINUTES

During the afternoon session, Commissioner Bailey motioned to approve the minutes of December 20, 2007. Commissioner Benson seconded the motion; motion carried 3-0.

PUBLIC COMMENT AND OPEN DISCUSSION

The Chairman opened the floor for public comment; there was none.

FINANCE

Expenditures were presented for approval by Eureka County Recorder & Auditor Mike Rebaleati. Commissioner Benson motioned to approve the Yucca Mountain expenditures of \$187.40 for payroll and \$9,519.54 for accounts payable, for a grand total of \$9,706.94 from Yucca Mountain funding. Commissioner Bailey seconded the motion; motion carried 3-0.

Commissioner Benson motioned to approve the County expenditures in the amount of \$206,382.14 for payroll and \$367,499.64 for accounts payable, for a grand total of \$573,881.78. Commissioner Bailey seconded the motion; motion carried 3-0.

Auditor's Report: The Auditor's report was presented and reviewed by the Board.

Purchase of Replacement Computers: Mr. Rebaleati requested to replace computers for three County departments. Commissioner Bailey motioned to approve the purchase of three computers for the Weed District, Eureka Justice Court, and Economic Development, not to exceed \$3,500.00. Commissioner Benson seconded the motion; motion carried 3-0.

Budget Meeting Date/Time: Commissioner Benson motioned to confirm January 28, 2008, at 9:30 a.m., as the date and time for the first Budget Meeting for Fiscal Year 2008-2009.

Board Appointment Policy Clarification: Mr. Rebaleati requested clarification on the policy used in appointing citizens to the various boards and committees. It was discussed whether the appointments to boards were governed by statute or policy of the Commissioners. The consensus of the Commission is to review the status of board and committee members in November to identify the terms that will expire, and advertise for letters of interest.

CORRESPONDENCE

Correspondence was received from: Andy & Deseri Marshall; Adell Panning; Katie Griffin of the Diamond Mountain FFA; District Attorney Ted Beutel; letter from the District Attorney to Ray Davis at the Division of Water Resources; Deputy District Attorney Dorothy Rowley; letter from

Senior Department Assistant Toni Wright to Sheriff Ken Jones; letter from Toni Wright to Clerk & Treasurer Jackie Berg; letter from Jackie Berg to Paul Williams of the Nevada Division of State Lands; letter from Public Works Director Ron Damele to Mike Williams; letters from Natural Resources Department Assistant Judy Overton to Shirlee Rhodes of Converse Consultants and Dale Bugenig of Eco:Logic, LLC; Crescent Valley Town Advisory Board (3); memo plus attachments from BJ Selinder of Public Policy Innovations; email from Joni Eastley of Central Nevada Regional Water Authority; Washoe County E-Update; Building Solutions, LLC; Nevada Association of Counties; letter from Nye County to US Nuclear Regulatory Commission; Nevada Rural Housing Authority; Nevada Farm Bureau-Women's Leadership Committee (2); Nevada Department of Taxation (3); Nevada Division of State Lands; NDOT Centerline; Nevada Connections; Nevada Department of Public Safety; Public Utilities Commission of Nevada (2); US Department of Agriculture; US Department of Interior-BLM (4); US Department of Interior-US Geological Survey; and Tech Line.

Per request of the Chairman, the Diamond Mountain FFA Chapter will be placed on the February 6, 2008, agenda to present their Agricultural Issues Forum.

DEPARTMENT HEAD REPORTS **COUNTY FACILITIES AND ECONOMIC DEVELOPMENT**

Update Report: County Facilities Director, Wally Cuchine, reported that the National Public Radio broadcast was a success, even though it could not be aired live due to technical difficulties. In response to the program, a record producer from back east called and was interested in the Opera House and interested in Richard Elloyan, who performed for the NPR broadcast. Joni Morris will be performing at the Opera House on January 25, 2008, at 7:00 p.m.; she will be presenting the "Legendary Ladies of Country Music," which will include music from Tammy Wynette, Patsy Cline, and others.

Mr. Cuchine reported the Democratic Caucus was a success with 30 people participating. Betty Krambs, Caucus Chairman for Precincts 3 and 4, reported 32 participants. Chairman Ithurralde stated the Republican Caucus had 80 participants.

Economic Development Office Relocation: Mr. Cuchine requested to relocate the Economic Development office to the railroad boxcar located on Main Street. Mr. Cuchine and Trish Reynolds, Economic Development Assistant, believe that the location will give more visibility and access to the office. Commissioner Benson motioned to approve relocating the Eureka County Economic Development office to the railroad boxcar on Main Street. Commissioner Bailey seconded the motion; motion carried 3-0.

OVERALL ECONOMIC DEVELOPMENT BOARD

Status of the Overall Economic Development Board: District Attorney Ted Beutel provided background information on the development of the Overall Economic Development Board. Most often, this type of board is developed when there is more than one Economic Development Advisory Board within a County, such as Clark County, and there is a need for overall management. Commissioner Benson expressed concern over dissolving the Board due to the caliber of individuals who currently serve on the Board. Chairman Ithurralde commented that the Board has been inactive for several years. Commissioner Bailey motioned to disband the Overall Economic Development Board. Commissioner Benson seconded the motion; motion carried 3-0.

ECONOMIC DEVELOPMENT PROGRAM ADVISORY BOARD

Status of Economic Development Program Advisory Board: Commissioner Bailey motioned to retain the Economic Development Program Advisory Board. Commissioner Benson seconded the motion; motion carried 3-0.

Member Appointments: Commissioner Benson motioned to reappoint Ken Jones to the Economic Development Program Advisory Board as the southern County two-year member. Commissioner Bailey seconded the motion; motion carried 3-0. Commissioner Benson motioned to reappoint Maribeth Robinson to the Economic Development Program Advisory Board as the southern County one-year member. Commissioner Bailey seconded the motion; motion carried 3-0. The northern County one-year and two-year member positions remain vacant, as well as the at-large member position.

SENIOR CENTERS

Replacement Oven for Eureka Senior Center: Senior Site Director, Millie Oram, reported the convection oven in the Eureka Senior Center is no longer functioning and requested to replace it. Commissioner Bailey motioned to replace the convection oven in the Eureka Senior Center, not to exceed \$5,285.00 plus shipping. Commissioner Benson seconded the motion; motion carried 3-0.

SENIOR CENTER ADVISORY BOARD

Term Length: Jackie Berg, Clerk & Treasurer, provided information from the Senior Center Advisory Board By-laws stating the term of office for each board member is three years, with the expiration of terms alternating. Chairman Ithurralde motioned to direct Millie Oram, Eureka Senior Site Director, and north-end Senior Center Advisory Board members to verify the appointment dates of the members, and bring the information back to the Commission at a future date. Commissioner Benson seconded the motion; motion carried 3-0.

DIAMOND VALLEY WEED DISTRICT

Update Report: Weed District Technician, Ellaree Mariluch, provided an update report on the activities of the Weed District. Ms. Mariluch stated 1200 acres of noxious weeds were sprayed last season, with 220 acres being federal lands, and 945 acres relating to the NRCS grant. Ms. Mariluch reported that several landowners have participated in the program, which increased the amount of acreage treated. Ms. Mariluch stated she has developed a new tracking system that assigns a number to a picture, which will then correspond to a polygon on a map; this will provide a more accurate record of the areas treated and the results. Ms. Mariluch reported she has several projects planned for the coming season, with a large project encompassing the Palisade area.

The Commissioners commended Ms. Mariluch on the outstanding service she provides to Eureka County.

PUBLIC WORKS

Division of Emergency Management Homeland Security Grant: Public Works Director, Ron Damele, provided a Homeland Security grant that will fund training for protection of water systems and exercises related to emergency response to the water systems. Related training will encompass all areas of emergency responders. Commissioner Benson motioned to approve signing the Homeland Security Grant from the Division of Emergency Management, in the amount of \$5,000.00. Commissioner Bailey seconded the motion; motion carried 3-0.

Cooperative Maintenance Agreement: Mr. Damele provided a maintenance agreement between Eureka County and the Nevada Division of Transportation (NDOT) for the installation of cattle guards along the west side of State Route 306. Commissioner Bailey motioned to approve the maintenance agreement between Eureka County and the Nevada Division of Transportation for the installation of seven cattle guards. Commissioner Benson seconded the motion; motion carried 3-0. The Commissioners asked Mr. Damele continue negotiations with NDOT regarding placement of cattle guards on the east side of State Route 306.

Reyman Brothers Contract: Commissioner Benson motioned to authorize the signing of the contract with Reyman Brothers Construction for the Eureka Justice Court remodel project, in the amount of \$169,423.00. Commissioner Bailey seconded the motion; motion carried 3-0.

COUNTY ENGINEER

Nob Hill Land Survey: Public Works Director, Ron Damele, provided information relating to Arlene DePaoli's request for access and water/sewer service to Blocks 53 and 54. Mr. Damele stated that the area can be served with water and sewer, but until the lots are developed, it would be difficult to determine the service needs. There is street and road access, but until the lots are developed, it would be difficult to determine best placement of street access.

Eureka Fire Station Project: Tom Young, Lumos & Associates, reported that plans for the Eureka Fire Station have been submitted to the design team to incorporate the comments made by the Public Works Department and Eureka Volunteer Fire Department, and should be complete by the end of February.

2007 Street Maintenance Project: Mr. Young stated the fifteen day review period for the labor claim against the 2007 Street Maintenance Project has passed, and he is expecting to receive a letter from the Labor Commissioner supporting the decision made by the Commissioners at the November 20, 2007, Commission meeting.

Ruby Hill Sidewalk Project: Mr. Young provided that he is in receipt of the letter authorizing the Nevada Department of Transportation (NDOT) to begin appraisal and acquisition of the rights-of-way that are required to construct the Ruby Hill sidewalk. He also stated the 100% plans are complete and ready for submittal to NDOT for review.

COUNTY ASSESSOR

Update Report on Local Update of Census Addresses (LUCA): Assessor Michael Mears stated he has received the census data for the LUCA project and that it was not in the format anticipated, requiring a change in the review process. Mr. Mears is very comfortable with the team that he has assembled and believes that they will be able to do a thorough review within the 120-day time frame.

AMBULANCE & EMS

Activity Report: EMS Coordinator Mike Sullivan reported four calls for service in Eureka, and one call for service in Crescent Valley in the last two weeks. This brings the year-to-date totals to nine for Eureka and three for Crescent Valley, for a county year-to-date total of 12 calls. Volunteer strength remains the same in Eureka, with one basic in Crescent Valley electing not to renew his license. Mr. Sullivan conducted CPR training at the Sheriff's Office on January 9th, 10th, and 15th; on January 14th, Mr. Sullivan held automated external defibrillator (AED) familiarization training at the Senior Center. The Crescent Valley ambulance will be taken to Elko to have the retractable steps installed; the ambulance will be out of service for one day.

Medtronic Maintenance Contract: Commissioner Benson motioned to approve the maintenance contract with Medtronic to provide service and support to the equipment at the Sheriff's Office and both clinics. Commissioner Bailey seconded the motion; motion carried 3-0.

Volunteer EMT Stipend Policy: Earl Overholser, Eureka Volunteer EMT, requested clarification of the stipend policy regarding what qualifies as a second run. Mr. Overholser stated that many times the ambulance will transport a patient to the clinic for stabilization, and the clinic will release the ambulance, only to recall them after the crew has cleaned the ambulance and returned to their residences or jobs. Mr. Overholser's opinion is that the recall of the crew at that point should trigger a second call, qualifying the EMTs for a second stipend. Commissioner Benson motioned to clarify the present policy, stating that each run stands alone; if the responders are dismissed from the scene and then called back a second time, that will

qualify as a new run, which will entitle the EMTs to a stipend for that run. Commissioner Bailey seconded the motion; motion carried 3-0.

Ambulance Bill Write-offs: Commissioner Bailey motioned to write off ambulance bill for patient #2006116 in the amount of \$152.42; and patient #2006146 in the amount of \$50.00. Commissioner Benson seconded the motion; motion carried 3-0.

RECESS FOR LUNCH

The Board recessed for lunch between 12:11 p.m. and 1:16 p.m.

NATURAL RESOURCES

Update Report: Natural Resource Senior Department Assistant, Judy Overton, reported that she and Steve Walker, Walker & Associates, represented Eureka County at the review of the hydrology model report for the Mt. Hope Project at the state Bureau of Land Management (BLM) office; the BLM provided comments to General Moly, Inc., regarding the status of the report and what the BLM wanted to see in the report. A field orientation meeting was scheduled for February 13, 2008, at 7:00 a.m. at the Owl Club. Ms. Overton has been in contact with Mary Tumbusch from USGS, and Ms. Tumbusch has sent a written report on the Phase II activities of the water study; Ms. Tumbusch will be available to attend the February 6th Commission meeting, at the request of the Commission.

Letters of Opposition to SB1870 and HR2421: Ms. Overton presented letters approved by the Natural Resources Advisory Commission, addressed to the Congressional delegates for Nevada, and Governor Jim Gibbons, in opposition to the Clean Water Restoration Act of 2007, HR2421, and SB1870. Commissioner Benson motioned to approve the letters as generated with the Natural Resources Advisory Commission, in opposition to SB1870 and HR2421, relating to the Clean Water Restoration Act of 2007. Commissioner Bailey seconded the motion; motion carried 3-0.

Upcoming Meetings: The Senate Committee on Energy and Natural Resources will be conducting a hearing on the Hard Rock Mining Bill on January 24, 2008, at 9:30 a.m.; this hearing can be viewed on the internet. On January 25, 2008, the Nevada Legislative Committee on Public Lands will be meeting and the Central Nevada Water Regional Water Authority will be providing a presentation.

NEPA (NATIONAL ENVIRONMENTAL POLICY ACT) Committee

Mt. Hope Project EIS Comment Letters: Jim Gallagher, Chairman, presented comments relating to Chapters 1, 2, and 4 of the Mt. Hope Project pre-draft Environmental Impact Statement. Commissioner Benson motioned to approve and forward the comments. Commissioner Bailey seconded the motion; motion carried 3-0.

WALKER & ASSOCIATES

Update Report: Steve Walker, Walker & Associates, reported there have been no recent applications for water right acquisitions in Kobeh Valley by Kobeh Valley Ranches, LLC, although there have been some reported sales and interest in the remaining water rights in that hydrographic basin. Mr. Walker states his research shows there are approximately 2,566 certificated water rights that have not been designated for transfer. Mr. Walker clarified that the information provided refers only to groundwater irrigation permits, and not groundwater stock water permits or stream water.

Mr. Walker attended a meeting at the State Engineer's office with Commissioner Benson relating to the SB275 requirements for water rights dedication. Mr. Walker cautioned that Water Rights Dedication Ordinance might not be effective if there are no certificated water rights remaining in the hydrographic basin, which may be the case in Kobeh Valley should a

development project occur there. Mr. Walker reported on the meeting with BLM and General Moly, Inc., relating to BLM's review of the draft water model; Mr. Walker believes that the information presented by BLM is in alignment with Eureka County's interests.

Mr. Walker researched the water applications for new water resources in Pine Valley, and stated that the BLM will be protesting those applications based on being a new appropriation. Mr. Walker confirmed a pre-hearing conference, relating to the Kobeh Valley Ranch, LLC, water application protests, has been scheduled for late March.

HYDROLOGY WATER MODELER INTERVIEW: CONVERSE CONSULTANTS

Jay Dixon, Senior Engineer, and Shirlee Rhodes, Registered Geologist, with Converse Consultants, presented information related to their background and experience in water model reviews. Mr. Dixon has been involved in water resources, specifically hydrology, in the Great Basin area for the last ten years, while Ms. Rhodes' experience has been in Arizona. Mr. Dixon is involved in the Ely Energy Center in White Pine County as well as being involved in Yucca Mountain, and Desert Rock Energy in New Mexico. Approximately six years ago, Mr. Dixon provided the modeling for the Devil's Gate Wellhead Protection program for Eureka County. Mr. Dixon briefly described the process of developing a water model and the importance of using the proper tools. Several questions were posed by the Commissioners and public assembled relating to the companies background; experience in peer reviews of water models; conflict of interest; and personal knowledge of the tools necessary for reviewing the models.

HYDROLOGY WATER MODELER INTERVIEW: ECO:LOGIC

Dale Bugenig, Chief Hydrogeologist for Eco:Logic, and Carol Oberholtzer, Senior Hydrologist for Lahontan Geoscience, Inc., presented information related to their background and experience in water model reviews. Mr. Bugenig and Ms. Oberholtzer have worked together for seven years on water model projects, and have combined experience in over 1200 projects. Mr. Bugenig contributes their success to the slightly different perspective that they each provide. Both have been involved in the water model for the Steptoe Valley for White Pine Resources, and have worked with the White River and Meadow Valley flow systems, which extends almost to Ely. Ms. Oberholtzer has been appointed to the State Water Engineer's Task Force to review the hydrogeology of the Coyote Springs and Muddy Rivers Project, outside of Las Vegas. The State Water Engineer recognizes both Mr. Bugenig and Ms. Oberholtzer as expert witnesses. Questions from the Commissioners and assembled public related to experience, conflict of interest, and experience in peer reviews.

HYDROLOGY WATER MODELER

Board Recommendation: After discussion between the board and various members of the public assembled, the Board requested the candidates return for follow-up questions relating to their ability to meet the project timeframe; their experience in expert witness testimony; and how they would handle conflicting opinions with the initial water model. Concern was voiced by Commissioner Benson and a member of the public regarding Eco:Logic's stated close relationship to the General Moly water modelers, however, the majority of the audience and County staff stated they preferred Eco:Logic due to the project and expert witness testimony experience. Commissioner Benson motioned to accept Eco:Logic as Eureka County's water modeler. Commissioner Bailey seconded the motion; motion carried 3-0.

Candidate Negotiation: Both candidates were thanked for their presentations, and advised of the decision to retain Eco:Logic as the Eureka County water modeler. Dale Bugenig, Eco:Logic, stated that the contract would be with Eco:Logic, and they would sub-contract with Lahontan Geoscience. Mr. Bugenig gave a preliminary cost estimate of \$30,000.00 for the project, dependent upon the condition of the model.

Contract with Hydrology Water Modeler: The contract for the water modeler will be presented at the January 28, 2008 Budget Hearing.

CRESCENT VALLEY TOWN ADVISORY BOARD

Crescent Valley Water System: The question has been brought forward as to who is the titled owner of the Crescent Valley water system and who has management authority. District Attorney, Ted Beutel, provided research that supports Crescent Valley as the titled owner of the water system; however, through codification of the Eureka County Code, in 1989, management authority was transferred to Eureka County.

County Code Amendment: The CVTAB requested clarification as to the term length of the Chairperson of their board, and what action would be necessary to change that element of the County Code. District Attorney, Ted Beutel, stated that the current ordinance delineates the Chairperson will be elected to a term of two years, and that the CVTAB may request a change to that ordinance, but it would require a public hearing, prior to election of the Chairperson next year. The consensus of the Commissioners is to leave the ordinance as it stands, and if the CVTAB requests a change next year, to address the issue in the October/November timeframe.

EUREKA COUNTY PLANNING COMMISSION

Alternate Members Compensation: Clarification was requested as to whether alternate members will be paid a salary for attending a Planning Commission meeting, when all of the regular members are present. The Ordinance currently states that alternates will receive salary compensation, only when a regular member is absent. Commissioner Benson contended that alternates should be eligible for salary compensation, because it is beneficial for them to attend all of the meetings, not knowing when they might be pressed into service. Commissioner Benson motioned, that under the existing ordinance, an alternate is entitled to salary and mileage compensation when attending a Planning Commission meeting, even though the regular members are present. Commissioner Bailey seconded the motion; motion carried 3-0.

COUNTY ANNEXED PROPERTIES JOINT MEETING

Meeting Location and Date: Commissioner Benson motioned that the Eureka County Board of County Commissioners will participate as a sponsor in a joint public meeting to be held mid-February. Commissioner Bailey seconded the motion; motion carried 3-0. Chairman Ithurralde suggested February 14, 2008, at 7:00 p.m., at the Opera House, for the meeting. Commissioner Benson and Commissioner Bailey agreed.

Board Representatives: Commissioner Benson motioned to appoint Chairman Ithurralde as the Commissioner representative regarding the joint meeting and to attend the meetings of each of the participating boards and committees in preparation for this overall scoping meeting. Commissioner Bailey seconded the motion; motion carried 3-0.

HOME HEALTH SERVICES OF NEVADA

Office Space: District Attorney, Ted Beutel, stated prior to leasing space to Home Health Service of Nevada, several requirements must be met and suggested speaking with Home Health Services prior to creating a lease agreement. Commissioner Benson motioned to table this item pending a meeting between District Attorney, Ted Beutel, and Home Health Services of Nevada. Commissioner Bailey seconded the motion; motion carried 3-0.

NEVADA FARM BUREAU – WOMEN’S LEADERSHIP COMMITTEE

Food Check Out Week Proclamation: Commissioner Benson motioned to make a countywide proclamation honoring Food Check Out Week, February 3-9, 2008, in conjunction with the Women’s Leadership Committee of the Nevada Farm Bureau, and to authorize the

Chairman to sign the proclamation outside the meeting. Commissioner Bailey seconded the motion; motion carried 3-0.

COMMISSIONERS

Update Reports: Commissioner Benson attended a meeting on January 15th with General Moly, Inc., regarding the annex properties; a smaller committee, made up of two Eureka County and two General Moly, Inc., representatives was formed to pursue discussions. Commissioner Benson met with Budget Officer, Mike Rebaleati, and Nevada Division of Forestry representatives, Tom Turk, Sam Hicks, and Joe Anelli, on January 17th, to discuss Fiscal Year 2009 requests. Commissioner Benson participated on the selection review committee for the Natural Resources position, and advised that the position will be re-advertised.

Chairman Ithurralde attended a meeting with representatives from the Sheriff's Office, Eureka County School District, Public Works' office, and Road Department, regarding snow removal and notification policies. Chairman Ithurralde met with Mille Oram regarding office space in the Senior Center for Home Health Services of Nevada; met with Ron Damele, Dan Brown, and Mike Taylor to review the plans for the Eureka Town Fire Station; and was interviewed by National Public Radio for the Day to Day Show.

Annexed Property Access Letter: General Moly, Inc., has expressed interest in the annex property at the fairgrounds for possible development, and is requesting access to determine suitability. Commissioner Benson motioned to approve a letter of entry addressed to General Moly, Inc., as prepared by the District Attorney. Commissioner Bailey seconded the motion; motion carried 3-0.

Development Agreement Ordinance: Commissioner Benson asked to table this item until the February 6, 2008, Commission meeting.

Water Application Protests: Commissioner Bailey motioned to protest water rights applications #76364 and #76365, filed by Kobeh Valley Ranch, LLC, with the State Water Engineer's office, and to authorize the Chairman to sign them outside of the meeting. Commissioner Benson seconded the motion; motion carried 3-0.

PUBLIC COMMENT AND OPEN DISCUSSION

The Chairman called for public comment. Gary McCuin, Cooperative Extension Educator, stated he would like to hold an Open House in conjunction with the joint public meeting scheduled for February 14th, to meet more people in the community. The Commissioners agreed that this would be a suitable arrangement. Mr. McCuin continued that the University President has requested a review of all extension and extended studies and that report should be available by February 15, 2008. The Chairman called for further public comment, and there was none.

ADJOURNMENT

At 4:45 p.m., Commissioner Bailey motioned to adjourn. Commissioner Benson seconded the motion; motion carried 3-0.

Approved this 20th day of February, 2008.

/s/ J.P. Ithurralde
J.P. Ithurralde, Chairman

Attest: /s/ Jackie Berg
Jackie Berg, Clerk