

**EUREKA COUNTY BOARD OF COMMISSIONERS**  
**July 7, 2008**

STATE OF NEVADA     )  
                              : ss  
COUNTY OF EUREKA    )

**CALL TO ORDER**

The Board of Eureka County Commissioners met pursuant to law on July 7, 2008. Present were Chairman Jim Ithurrealde; Member Donna Bailey; Member Leonard Fiorenzi; District Attorney Theodore Beutel; and Clerk & Treasurer Jackie Berg. Chairman Ithurrealde called the meeting to order at 9:35 a.m. The interactive video conference system was connected and utilized between Crescent Valley and Eureka for the entire meeting.

**APPROVAL OF AGENDA**

Several changes to the agenda were noted. Per recommendation from Governor, Mr. Fiorenzi was sworn in as Commissioner on July 3<sup>rd</sup>, rather than waiting for the meeting. The Yucca Mountain item was cancelled due to illness. Commissioner Fiorenzi requested a change in order for two County Engineer agenda items. Commissioner Bailey motioned to approve the agenda with those changes. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

At request of the Chairman, the Clerk read the Governor's proclamation regarding appointment of Mr. Fiorenzi to the Eureka County Board of Commissioners.

**APPOINTMENT OF VICE CHAIRMAN**

Commissioner Fiorenzi motioned to appoint Commissioner Bailey as Vice Chairperson to the Board of Commissioners for the remainder of the calendar year. Chairman Ithurrealde seconded the motion. Motion carried 3-0.

**APPROVAL OF MINUTES**

Commissioner Bailey motioned to approve the minutes of the June 6, 2008, Commission meeting; Chairman Ithurrealde seconded the motion; motion carried 2-0. Commissioner Bailey motioned to approve the minutes of the June 20, 2008, Commission meeting; Chairman Ithurrealde seconded the motion; motion carried 2-0. Commissioner Fiorenzi abstained from both votes, since he was not yet appointed at the time of the June meetings.

**PUBLIC COMMENT**

The floor was opened to public comment. District Attorney, Ted Beutel, stated that former Commissioner Ken Benson had requested time on an agenda in the near future on behalf of several Diamond Valley farmers. Commissioner Bailey noted she would abstain from the Public Works' agenda item regarding the fencing contract because she was related to one of the bidders. Chairman Ithurrealde introduced new Natural Resources Manager, Jake Tibbitts.

Tammy Redfield of Crescent Valley stated that one of the Commissioners agreed to meet with the Crescent Valley Fire Department, and she asked if that date had been set. Chairman Ithurrealde stated he was planning on meeting with the department and would notify Ms. Redfield as soon as it was scheduled. There were no further public comments.

**FINANCE**

Payment of Expenditures: Expenditures were presented for approval by Recorder/Auditor, Mike Rebaleati. Commissioner Bailey motioned to approve County expenditures in the amount of \$467,785.75 for accounts payable, and \$297,011.05 for payroll, for a total of \$764,796.80; Commissioner Fiorenzi seconded the motion; motion carried 3-0. Commissioner Fiorenzi motioned to approve Yucca Mountain expenditures in the amount of \$2,425.58; Commissioner Bailey seconded the motion; motion carried 3-0.

t: Mr. Rebaleati provided several versions of the Auditor's Report.

The Board reviewed the report options and decided to receive a more comprehensive report, showing percentage of budget expended to date, for one meeting each month, and to continue receiving the standard report for the other monthly meeting. This motion was made by Commissioner Fiorenzi, seconded by Commissioner Bailey, and passed 3-0.

**Resolution Setting FY 2008-2009 Tax Rates:** County approved tax rates were submitted with the annual budget to the Nevada Department of Taxation and approved by the State on June 25, 2008. Commissioner Bailey motioned to approve the resolution setting the tax rates for Fiscal Year 2008-2009; Commissioner Fiorenzi seconded the motion; motion carried 3-0.

Eureka, Nevada

July 7, 2008

**RESOLUTION  
SETTING TAX RATES FOR FISCAL YEAR 2008-2009**

WHEREAS, the Eureka County Commissioners are hereby setting the tax rates for the tax districts under their legal jurisdiction on this 7<sup>th</sup> day of July, 2008; and

WHEREAS, tax rates for the Fiscal Year 2008-2009 will be listed below in accordance with NRS 361.460;

	Taxing Unit Rate	Imposed Legislative Tax Rate	Combined General County Rates	Combined Special District	School	State	Total
Eureka County	.7623	.0835		.0085	.9125	.1700	1.9368
Crescent Vly Twn	.2153		.8458	.0085	.9125	.1700	2.1521
Eureka Town	.2153		.8458	.0085	.9125	.1700	2.1521
DV Rodent Dist	.0400		.8458	.0866	.9125	.1700	2.0549
DV Weed Dist	.0781		.8458	.0485	.9125	.1700	2.0549
T.V. District	.0085		.8458		.9125	.1700	1.9368

THEREFORE, IT IS UNANIMOUSLY RESOLVED that the Board of County Commissioners of Eureka County, does hereby certify the rates listed above for the Fiscal Year 2008-2009.

Approved this 7<sup>th</sup> day of July, 2008.

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

/s/ Donna Bailey  
Member

/s/ Leonard Fiorenzi  
Member

Attest: /s/ Jackie Berg  
Jackie Berg, Eureka County Clerk

**Health Insurance Subsidies for FY 2008-2009:** Mr. Rebaleati presented insurance subsidy rates as approved during the budget meetings. Commissioner Fiorenzi motioned to approve the employee insurance subsidies as presented, including a 70/30 County/employee cost share for Fiscal Year 2008-2009; Commissioner Bailey seconded the motion; motion carried 3-0.

Mr. Rebaleati presented the retired employee subsidy amounts, which were the same for those retiring under Nevada League of Cities as those under the Public Employees Benefit plan. Commissioner Fiorenzi motioned to approve the rates as presented. Commissioner Bailey seconded the motion. Motion carried 3-0.

**Cost of Living, Salary Increases, and Wage/Salary Scale for FY 2008-2009:** Budget actions included a 3.5% cost of living increase to the wage/salary scale for all employees, and a 5% cost of living increase for salaried positions that are not eligible for merit increases. Commissioner Bailey motioned to approve the salary increases of 3.5% for regular employees, 5% for salaried employees, and the updated wage/salary scale for Fiscal Year 2008-2009. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

**Mileage Reimbursement Rate:** Commissioner Bailey motioned to approve increasing the County mileage reimbursement rate to \$0.585 cents, effective July 1, 2008, to match the recently increased State standard mileage rate. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

Phases for FY 2008-2009: Mr. Rebaleati explained that computer replacements were provided in the capital improvement plan. Last year, the County purchased 21 new computers, and he felt the County could get a better rate if several were ordered at once. Commissioner Bailey motioned to approve purchasing ten replacement computers, not to exceed \$12,000.00. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

Replacement of County's Main File Server: Mr. Rebaleati explained that the County's main server is five years old and due for replacement, but will continue to be used as a back-up server. Commissioner Fiorenzi motioned to approve purchasing a server, not to exceed \$8,500.00. Commissioner Bailey seconded the motion. Motion carried 3-0.

## **CORRESPONDENCE**

Correspondence was received from: Governor Jim Gibbons; Clerk, Jackie Berg, to Nick Vander Poel of the Governor's office; Public Works Director, Ron Damele; Eureka County Planning Commission; Crescent Valley Town Advisory Board (2); Eureka County 4H News; Scott Raine; Gary McCuin; Karen Peterson, Esq.; BJ Selinder of Public Policy Innovations; Bison Construction; Personnel Management Perspectives; Weed Warriors of Fallon; Western Counties Alliance; Nevada Association of Counties (2); Nevada Dept. of Taxation (2); Nevada Dept. of Administration; Nevada Commission on Economic Development; Nevada Dept. of Motor Vehicles; Nevada Div. of Water Resources; Nevada Dept. of Health & Human Services; Nevada Works; Nevada Div. of Environmental Protection (2); Nevada Tax Commission; Nevada Rural Housing Authority; Public Utilities Commission of Nevada; Transfer of Wealth in Nevada; Nevada Sage newsletter; Nevada Wildland Urban Interface; National Assoc. of Counties; American Land Rights Assoc.; and US Dept. of the Interior-BLM (4).

## **DEPARTMENT HEAD REPORTS**

### **COUNTY FACILITIES AND ECONOMIC DEVELOPMENT**

Update Report: Facilities Director, Wally Cuchine, reported that Transfer of Wealth is a program through Nevada State Economic Development and invited the Commissioners to attend the presentation at the Opera House on July 25<sup>th</sup>. A large family reunion was held at the Opera House on July 5<sup>th</sup>. Tourists continue to keep the Sentinel Museum busy.

Nevada Commission on Economic Development: Trish Reynolds, Department Assistant, successfully defended the annual grant before the State on June 24<sup>th</sup>, and consequently the Eureka program was awarded \$30,000.00. Commissioner Bailey motioned to approve signing the Notification of Grant Award from the Nevada Commission on Economic Development in the amount of \$30,000.00. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

### **SENIOR CENTERS**

Millie Oram, Site Director, reported on activity at the Eureka Senior Center and the Fannie Komp Senior Center. Eureka served 1,036 meals in June, for an average of 50 meals per day; Crescent Valley served 611 meals, for an average of 30 meals per day. \$6,840.30 was deposited for June. The patio at the Eureka Senior Center is complete and looks very nice.

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

Activity Report: Pool Supervisor, Cindy Adams, reported that the pool had 815 swimmers in June. This included participants in the scheduled lap and exercise swim times; 26 bicyclists traveling with the Journey of Hope program; 84 participants in a swim party sponsored by Juvenile Probation and the Coalition for Youth; five birthday parties; 40 participants from the LDS Youth Group; and 35 kids in the Red Cross Learn to Swim Program, including children from Austin because they lack an instructor at their pool. Three other bicycle groups stayed at the downtown park and used shower facilities at the pool; they have all been very clean and picked up after themselves.

Activities at the Fairgrounds included the Nevada Bow Hunters Jamboree; the Gymkhana on June 28<sup>th</sup> with 55 participants and their families; and the Eureka High School students were there on June 5<sup>th</sup> for E-Day. The patio and landscaping were completed at the Senior Center on

the Community Development Block Grant program. The Courthouse parking lot wall was rebuilt. Landscaping and maintenance of all County parks, grounds, and facilities is done on a regular basis.

Chairman Ithurralde commended Ms. Adams and her crew for an outstanding job in town in preparation and throughout the Fourth of July celebration. This included providing picnic tables, shade, plants, flags, military banners, trash cans, and clean-up.

## **ROAD DEPARTMENT**

Update Report: Road Foreman, Steve Auch, gave a report on Road Department activities. The crews have been working on fire breaks, spot graveling roads, lengthening the culvert on the Sheep Creek road, etc. They plan to do some gravel work on the Sestanovich Ranch road, and continue work on the roads that are used the most, including the subdivision areas outside of Crescent Valley. The State has begun work on the right-of-way fence on the road between Beowawe and Crescent Valley; the Road Department provided two cattle guards that the State installed on County roads as part of this fencing project.

## **PUBLIC WORKS**

Update on Crescent Valley Construction Projects: Public Works Director, Ron Damele, gave an update on the Crescent Valley construction work. Paving began during the past week and striping will follow. Other projects are progressing on schedule.

Proposal from Jefferson Audio Video: A written proposal was provided from Jefferson Audio Video to install a JAVs System in the Crescent Valley Justice Facility, which will include the court recording system and video security system for the entire building. Mr. Damele asked that the Board table action to allow the electrical engineer to review the proposal. The Board asked him to bring it forward once he was comfortable with the complete proposal.

Purchase of Utility Pickup: A utility pickup was included in the FY 2009 budget for the sewer department, and could be purchased through the state purchasing fleet vehicle bid, complete with a utility bed, snow plow, radio, pipe rack, 4-wheel drive, and was still available at the 2008 model price. Commissioner Fiorenzi motioned to approve purchasing the pickup as outlined. Commissioner Bailey seconded the motion. Motion carried 3-0.

Fencing Contract: Commissioner Bailey recused herself from any discussion or decision on this item and vacated the room. One bid was received on the fencing contract from Reese Marshall & Sons. Upon forwarding the contract to Mr. Marshall, he noticed an error in his bid. Mr. Damele recommended that this contract be denied and that the project be re-advertised for bid. Commissioner Fiorenzi motioned to direct Public Works to re-advertise for the fencing contract. Chairman Ithurralde seconded. Motion carried 2-0. Upon conclusion of this item, Commissioner Bailey returned to the meeting.

Back-Up Electrical System for Crescent Valley Medical Clinic: At a previous meeting, the Board directed Public Works to look into the possibility of incorporating the Crescent Valley Medical Clinic into the back-up generator system for the new Justice Facility. The electrical engineer evaluated this and the generator will not operate both buildings. The clinic would require an independent back-up system, or a larger shared generator. Commissioner Fiorenzi noted that this was not a budget item, and therefore motioned that Public Works provide a rough idea of what was needed to the Crescent Valley Town Advisory Board, and that the Town Board present this as a capital improvement item in next year's budget. Commissioner Bailey seconded the motion. Motion carried 3-0.

Senior Utility Worker: At the June 20<sup>th</sup> meeting, the Board approved a salary range adjustment for the Senior Utility Worker, Jack Orr, based on additional responsibilities and certification. Mr. Damele requested that the salary adjustment be made retroactive to the date of the additional certification, which is required because of the water blending required for the Devil's Gate water system. Commissioner Fiorenzi motioned to approve making the salary

Senior Utility Worker retroactive to April 16, 2008. Commissioner Bailey seconded the motion. Motion carried 3-0.

### **COUNTY ENGINEER**

Consider Bid Award for Eureka Fire Station Project: Tom Young, of Lumos & Associates, provided a bid tabulation sheet and read a letter to the Board that outlined the five bids received on June 20<sup>th</sup> for the Eureka Fire Station Project. The bids ranged from \$3,956,882.00 to \$5,743,100.00. All bids were substantially higher than the engineer's project estimate of \$2,575,000.00. The low bid was received from Reyman Bros. Construction, but failed to provide a Certificate of Eligibility for Preferential Consideration issued by the Nevada State Contractor's Board. (They do in fact hold this certificate, and it was faxed to the Clerk's office during the bid opening). Additionally, Reyman Bros. Construction listed a subcontractor with a B2 rating (residential and small commercial), when the bid specs required a C5 concrete classification. The next lowest bid was received from Bison Construction in the amount of \$4,088,000.00, was \$513,000.00 above the engineer's estimate. Mr. Young's recommendation, in concurrence with Public Works, was to reject all bids on the basis that they were significantly higher than the engineer's estimate, and to re-bid the project.

Public Works Director, Ron Damele, noted that a protest was received from Bison Construction within two days of the bid opening, and a letter was received from Reyman Bros. Construction asking to be considered for award. District Attorney, Ted Beutel, commented that awarding the bid under present circumstances could result in additional fallout for the County; and although further delay was a concern, he also recommended that the bids be rejected and the project be re-advertised.

Commissioner Fiorenzi motioned to reject all bids on the basis they were significantly over the engineer's estimate, and to rebid the Eureka Fire Station Project. Commissioner Bailey seconded the motion. Motion carried 2-1, with Chairman Ithurralde voting against, as he would have preferred to award the bid on schedule.

A special meeting was set to open bids to avoid further delay. The meeting was set for Friday, July 25, 2008, at 11:00 a.m. in the Commissioners' meeting room. This would allow bids to be awarded at the August 6<sup>th</sup> meeting.

2007 Street Maintenance Project: Mr. Young explained that last year the School District requested Change Order #1 for additional work under the 2007 Street Maintenance Project. The additional work was not completed before winter arrived, and the School District decided to request an additional change order, which has been verbally approved by the Superintendent and should be approved at the next Trustee's meeting. Commissioner Fiorenzi motioned to approve Change Order #2 for the 2007 Street Maintenance Project, authorizing the Chairman to sign it outside of the meeting once signatures are obtained from the School District and the contractor. Commissioner Bailey seconded the motion. Motion carried 3-0.

### **RECESS FOR DEVIL'S GATE GID MEETING**

The Board recessed at 11:27 to 11:45 a.m. for a scheduled Devil's Gate GID meeting.

### **YUCCA MOUNTAIN**

The Yucca Mountain update was cancelled due to the illness of John Gervers of Latir Energy Consultants.

### **RECESS FOR LUNCH**

The Board recessed for lunch from 11:36 a.m. to 1:08 p.m.

### **AMBULANCE & EMS**

Activity Report: EMS Coordinator, Mike Sullivan, reported on activity since the last meeting. Eureka had nine calls for service for a year-to-date total of 59 calls. Crescent Valley

ins at a year-to-date total of 34. Mr. Sullivan reviewed volunteer staffing levels for both northern and southern Eureka County. Two calls on the 4<sup>th</sup> of July holiday were related to motorcycle accidents. Although the accidents were similar, the injuries were significantly different due to the amount of protective gear worn by the riders; Mr. Sullivan used this example to encourage riders to wear helmets and full protective clothing. The 'mass casualty' trailer was delivered on July 3<sup>rd</sup>. One of the ambulances received a minor dent during a patient transport, when the medical evacuation aircraft rolled backwards into it. The Sheriff conducted an accident investigation and the State Board of Health, EMS Division, was notified.

### **BID OPENING FOR 2008 STREET MAINTENANCE PROJECT**

As advertised, bids were received and opened at 1:15 p.m. for the 2008 Street Maintenance Project. Three bids were received from: MKD Construction, Inc., A&K Earth Movers, Inc., and HE Huneywill Construction. County Engineer, Tom Young, reviewed the bids which appeared to be complete, including bid schedules A & B, acknowledgement of the bid addendum, and inclusion of bid bonds. Total base bid for MKD Construction was \$1,149,000.00; total base bid for A&K Earth Movers was \$1,391,000.00; and total base bid for HE Huneywill Construction was \$1,345,625.00. Bid award was scheduled to take place at 2:25 p.m.

Commissioner Bailey motioned to accept the bids into the record. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

### **EUREKA COUNTY CLERK/TREASURER**

Review Treasurer's Report: The Board reviewed the Treasurer's Report for April. Clerk/Treasurer, Jackie Berg, reported that May's report was also substantially complete. The format of the report was slightly different due to recommended changes by Kafoury Armstrong.

Review Quarterly Clerk's Report: Ms. Berg explained that per NRS, the Clerk is to provide a quarterly report to the Board of Commissioners for review. This report mainly reflects District Court fees collected by the department, as well as miscellaneous document fees.

### **JUSTICE COURT QUARTERLY REPORTS**

Eureka Justice Court & Beowawe Justice Court Quarterly Reports: Similar to the Clerk for District Court, the Justice Courts are required to submit quarterly reports for the Board's review. Commissioner Fiorenzi preferred the format of Eureka's report, and requested that Beowawe Justice Court include the more detailed itemization in future reports.

### **NATURAL RESOURCES**

Activity Report: Natural Resources Manager, Jake Tibbitts, and Senior Department Assistant, Judy Overton, reported on department activities. A library of documents has been established on behalf of the NEPA Committee, which continues to monitor the Mount Hope Project. The Nevada Division of Water Resources monthly report includes additional filings by Kobeh Valley Ranch, LLC. These are basically change applications on previous filings, and are being monitored by the District Attorney.

A letter was received from the Division of Environmental Protection, specifically the Board of Financing Water Projects, in response to Eureka County's letter requesting an extension for the SB62 funding in relation to Phase 2 of the Diamond Valley Flow Systems Study. A one year extension was granted with a June 19, 2009, reporting deadline. Phase 2 is scheduled to be complete in September 2009, but Ms. Overton felt an adequate report could be provided by the June deadline from the US Geological Survey on behalf of Eureka County.

Mormon Cricket Activity: Some Mormon cricket activity was reported on the east side of the Diamond Valley range near the Strawberry Ranch, and there were some minor sightings on Pinto Summit. The Department of Agriculture was contacted, and they responded in two days to survey both areas and do some baiting near the Strawberry Ranch. While here, they visited Black Point and Newark Pass, and crickets were not found in either location.

Meetings: The Natural Resources Advisory Commission will meet on July 8<sup>th</sup> at 7:00 p.m. The Legislative Committee on Public Lands will meet at the Eureka Opera House on July 14<sup>th</sup> to give a report on the Farm Bill. The NEPA Committee will meet July 17<sup>th</sup> at 7:00 p.m. Natural Resources Manager, Jake Tibbitts, will attend a meeting at the Bureau of Land Management Field Office in Battle Mountain on July 8<sup>th</sup> regarding the permit renewal process.

### **EUREKA COUNTY COOPERATIVE EXTENSION**

Extension Report for FY 2007-2008: Gary McCuin, Extension Educator, provided a detailed report on Cooperative Extension activities over the past year, noting that he had began as Extension Educator for Eureka County in January. The year's activities included a Proper Functioning Condition Seminar in Pine Valley, participation in the 2008 Youth Summer Range Camp at Big Creek near Austin, plans to start a Farmers' Market in Eureka, work on a grants program for fuel reduction along the mountain ranges in Diamond Valley, cooperation with the local weeds program, work with the Department of Agriculture and the Eastern Nevada Landscape Coalition for weed/pest control, work on the Cooperative Permit Monitoring Program (with plans for a seminar in the fall), etc. Mr. McCuin is working on a needs assessment for the County, which will help identify community needs that can be the focus of future programs.

### **QUARTERLY DRUG REPORTS**

Sheriff's Report: Sheriff, Ken Jones, reported that from April 1<sup>st</sup> through June 30<sup>th</sup>, the following offenses were charged: DUI drugs, three second-offense marijuana possession of less than an ounce, one first offense marijuana possession, and three charges for possession of drug paraphernalia. Sheriff Jones explained that the numbers reflect charges rather than defendants, as one person may be charged with several offenses. He attributed the decrease in drug related arrests directly to the fact that the deputy assigned primarily to drugs had resigned, and the department did not have the manpower to reassign that position.

District Attorney's Report: District Attorney, Ted Beutel, reported on drug related cases for the period of April 1<sup>st</sup> through June 30<sup>th</sup>. Out of 25 adult cases referred to the District Attorney for prosecution, six were drug related and consisted of: two DUIs with drugs, a marijuana growing operation with possible intention to sell, use of methamphetamine, use of marijuana, and possession of drug paraphernalia.

### **PROPOSAL FOR CHIROPRACTIC SERVICES**

Request for Space at Eureka Medical Clinic and Permission to Park at Airport: Dr. Jon Floto, Chiropractor, from Fallon, Nevada, introduced himself to the Board. Dr. Floto stated he was committed to providing chiropractic services to rural Nevada, and had been traveling to Round Mountain until the mine bought the airport and placed multiple restrictions on him, making it difficult to continue practicing there. He attempted to get something going in Tonopah, but that didn't work out either. Dr. Floto was interested in starting a practice in Eureka, but had two requests. The first was for space at the Medical Clinic, and the second was for permission to park a motorhome at the Eureka Airport.

The Board explained that the Medical Clinic was already filled to capacity, so Dr. Floto would have to find an alternate place to practice. Regarding parking at the airport, the Board stated they were willing to allow a car to be parked there, but were uncomfortable with having a motorhome parked on a nearly permanent basis. Discussion on this topic identified several potential problems, including that this could lead to 'camping' at the airport or lead to people using the facility as convenient storage for their RVs. Commissioner Bailey motioned to deny parking of a motorhome at the airport, adding that the Board would allow a car or pickup to be parked. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

## **2008 STREET MAINTENANCE PROJECT**

Award Street Maintenance Project to Lowest Bidder: County Engineer, Tom Young, reported that the low bid was from MKD Construction in the amount of \$1,149,000.00; the second lowest was from Huneywill Construction in the amount of \$1,345,625.00; and the third lowest bidder was A&K Earth Movers in the amount of \$1,391,000.00. Public Works Director, Ron Damele, and Mr. Young reviewed the bids and found all were in order, and recommended award to the lowest bidder, MKD Construction. Commissioner Fiorenzi motioned to award the 2008 Street Maintenance Project to the lowest bidder, MKD Construction, in the amount of \$1,149,000.00. Commissioner Bailey seconded the motion. Motion carried 3-0.

## **COMMISSIONER APPOINTMENTS**

The resignation of Commissioner Ken Benson left several appointments and liaison duties open. The Board discussed whether each appointment should be addressed individually, and Commissioner Fiorenzi offered to take on the full slate of duties. Chairman Ithurralde made the motion appointing Commissioner Fiorenzi to the following: Commissioner representative to the Local Emergency Planning Committee; PACT alternate to the Insurance POOL/PACT; member on the Boulder Valley Monitoring Plan Board; alternate member to the Humboldt River Basin Water Authority; member to the Regional Transportation Board; Commissioner representative to the Natural Resources Advisory Commission; Commissioner liaison to the NEPA Committee; Commissioner liaison to Nevada Division of Forestry; Commissioner liaison to the Diamond Valley Fire Department; and Commissioner liaison on natural resource issues. Commissioner Bailey seconded the motion. Motion carried 3-0.

Chairman Ithurralde commented on his temporary appointment as liaison on water issues, stating his interest in continuing in that capacity. Commissioner Fiorenzi motioned that Chairman Ithurralde continue as County liaison on water issues and the County water protests. Commissioner Bailey seconded the motion. Motion carried 2-0, with the Chairman abstaining.

## **COMMISSIONERS**

Commissioner Update Reports: Chairman Ithurralde reported that he attended two meetings with Eureka Moly, LLC, regarding the annexation property and water issues, and met with the new General Manager of Eureka Moly, Tim Arnold. A phone conference was held between the District Attorney, Public Works, Abby Johnson, Tony Rossman, and Chairman Ithurralde regarding NEPA issues. Chairman Ithurralde traveled to Crescent Valley with the Public Works Director to review the construction projects.

Consumptive Water Needs and Air Quality Experts: The NEPA Committee and County staff had identified a need for further expert consultation in relation to the Mount Hope Environmental Impact Statement process, specifically in the areas of air quality and consumptive water needs. The NEPA process will move forward on the BLM's timetable and the County needs to be prepared to provide relevant comments and information pertinent to the County's future on a timely basis. Public Works Director, Ron Damele, presented a proposal in the amount of \$12,744.00 for a consumptive water study. Commissioner Fiorenzi motioned to accept the proposal and authorize commencement of the water assessment report related to the Mount Hope Project by Robert Hanlon, Principal of Hanlon Engineering Architecture, Inc., not to exceed \$12,774.00. Commissioner Bailey seconded the motion. Motion carried 3-0.

Jim Gallagher, Chairman of the NEPA Committee, explained an expert was needed to review the air quality report recently submitted to the BLM as part of the NEPA process. Commissioner Fiorenzi motioned to accept a proposal from Kirk D. Wingses, Principal Atmospheric Scientist with ENVIRON, for review of the air quality study in relation to the Mount Hope Project, not to exceed \$8,000.00. Commissioner Bailey seconded the motion. Motion carried 3-0.

Appraisals of County Property – APN #001-221-02 and APN #001-221-05: Appraisals were obtained on County property in the area of the County dog pound, lay down yard, and

commonly referred to as the annexation property. The two County parcels appraised as follows: Duvall Appraisal Service valued the 40 acre parcel at \$75,000.00, and valued the 124 acre parcel at \$260,000.00. I. Claire Morrow valued the 40 acre parcel at \$480,000.00, and the 124 acre parcel at \$930,000.00. The Board voiced concern over the disparity in the appraisal amounts, but agreed it was not unusual to receive varied appraisals in Eureka County due to the lack of comparable sales.

District Attorney, Ted Beutel, briefly outlined the requirement for the County to have property appraised when considering it for lease or sale. The law requires one appraisal and a public hearing, or two appraisals and sale at the higher appraised cost. There are exceptions to this statute, where the County may consider sale or lease at below market value for the purposes of economic development.

Commissioner Fiorenzi motioned to accept the appraisals from Duvall Appraisal Service and I. Claire Morrow on APN #001-221-02 and APN #001-221-05. Commissioner Bailey seconded the motion. Motion carried 3-0.

Set Public Hearing Date and Time: The Board discussed the option of setting a public hearing to consider whether it was in the best interest of the public to lease the appraised property for less than fair market value, pursuant to NRS 244.2815 and NRS 244.2795.

Mr. Beutel provided some background that led to discussions with General Moly (now Eureka Moly, LLC) regarding the annexed property. General Moly purchased the Romano Ranch in northern Diamond Valley and considered constructing a sizeable mancamp on the deeded property. Residents in the near vicinity voiced opposition, and the County additionally had concerns over provision of emergency services, law enforcement, etc. This led the County to consider an agreement regarding the annexed property, which would concentrate growth closer to town. This makes sense in relation to emergency services, law enforcement, utilities, and infrastructure; not to mention it might discourage another subdivision in Diamond Valley.

A detailed discussion ensued regarding activity to date related to the annexed property, including discussions with General Moly, involvement of the Eureka Townsite Annexation Advisory Committee and the Planning Commission, conceptual development drawings of the area, and public meetings and feedback that had all led to a proposed lease agreement with the mine regarding temporary construction worker housing. This option appeared beneficial to the County, because it allowed County involvement during the planning and construction phases, allowing control over the look and quality of the final product.

Chairman Ithurralde motioned to set a Public Hearing for 7:00 p.m. on July 21, 2008, to be held at the Eureka Opera House, to hear public comment in relation to considering a lease with Eureka Moly, LLC, for temporary construction housing at the annexation property. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

### **PUBLIC COMMENT**

The Chairman opened the floor to public comment. There was none.

### **ADJOURNMENT**

At 3:35 p.m., Commissioner Bailey motioned to adjourn. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

Approved this 6<sup>th</sup> day of August, 2008.

/s/ J.P. Ithurralde

J.P. Ithurralde, Chairman

Attest: /s/ Jackie Berg

Jackie Berg, Clerk