

EUREKA COUNTY BOARD OF COMMISSIONERS
September 5, 2008

STATE OF NEVADA)
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COUNTY OF EUREKA)

CALL TO ORDER

The Board of Eureka County Commissioners met pursuant to law on September 5, 2008. Present were Chairman Jim Ithurralde; Vice Chair Donna Bailey; Member Leonard Fiorenzi; District Attorney Theodore Beutel; and Clerk & Treasurer Jackie Berg. The Chairman 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

Chairman Ithurralde announced one change to the agenda – the Eureka Volunteer Fire Department asked to be rescheduled to the morning. Commissioner Bailey moved to approve the agenda as amended; Commissioner Fiorenzi seconded the motion; motion carried 3-0.

APPROVAL OF MINUTES

Commissioner Fiorenzi motioned to approve the minutes of the July 21st public hearing; Commissioner Bailey seconded the motion; motion carried 3-0. Commissioner Bailey motioned to approve the minutes of the July 25th special meeting; Commissioner Fiorenzi seconded the motion; motion carried 3-0. Commissioner Bailey motioned to approve the minutes of the August 1st special meeting; Commissioner Fiorenzi seconded the motion; motion carried 3-0.

District Attorney, Ted Beutel, requested a minor clarification to the August 6th minutes, to reflect that Commissioner Bailey was absent from the entire discussion of the fencing contract. With that amendment, Commissioner Bailey motioned to approve the minutes of the August 6th meeting; Commissioner Fiorenzi seconded the motion; motion carried 3-0.

PUBLIC COMMENT

Chairman Ithurralde opened the floor to public comments; there were none.

ELKO WEATHER SERVICE

Storm Ready Program: Kevin Baker, Meteorologist, and Jim Harmer, Senior Forecaster, of the Elko Weather Service, gave a brief presentation regarding the Storm Ready Program. Eureka County is the first county in northeast and central Nevada to enroll in the Storm Ready Program, which means Eureka County has communication infrastructure in place to support issuing severe weather warnings. Mr. Baker and Mr. Harmer presented the Commissioners with a plaque and informational road signs in recognition of enrollment in the Storm Ready Program.

SEVENTH JUDICIAL DISTRICT COURT

Cooperative Agreement: The Seventh Judicial District comprises White Pine, Lincoln, and Eureka Counties, and the three counties operate under an annual agreement which shares administrative and court costs based on population (Eureka's share is 10 percent). Commissioner Fiorenzi motioned to approve the Cooperative Agreement for Fiscal Year 2008-2009 for the Seventh Judicial District Court. Commissioner Bailey seconded the motion. Motion carried 3-0.

Court Appointed Attorney Fees: Commissioner Fiorenzi motioned to approve paying court appointed attorney to Michael Shurtz, Chtd. in the amount of \$570.00 per order of Judge Steve Dobrescu. Commissioner Bailey seconded the motion. Motion carried 3-0.

Court Interpreter Fees: Commissioner Bailey motioned to approve paying court interpreter fees to Nelson McKennon in the amount of \$116.10 per order of Judge Dan Papez. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

FINANCE

Payment of Expenditures: Expenditures were presented for approval by Recorder/Auditor, Mike Rebaleati. Commissioner Fiorenzi motioned to approve County expenditures in the amount of \$1,916,726.61; Commissioner Bailey seconded the motion; motion carried 3-0. Commissioner Fiorenzi motioned to approve Yucca Mountain expenditures in the amount of \$9,229.51. Commissioner Bailey seconded the motion; motion carried 3-0.

Auditor's Report: The Board reviewed the Auditor's report without comment.

Management Training Seminar: Management training is conducted every year, and Mr. Rebaleati requested that the Board make it mandatory to ensure attendance. This year's topic is Disciplining Effectively. Commissioner Fiorenzi motioned to require all County supervisors to attend a two-hour management training seminar on September 24, 2008. Commissioner Bailey seconded the motion. Motion carried 3-0.

Security Video System for Eureka Justice Facility: Commissioner Bailey moved to approve purchase of a replacement DVR security video system for the Eureka Justice Facility, not to exceed \$3,000.00. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

Update on Fiscal Year 2008: Mr. Rebaleati reported that the auditors will be in Eureka within a month to conduct the Fiscal Year 2008 audit. He reported that 2008 revenues exceeded the budgeted amounts, which provides an opportunity to augment the Fiscal Year 2009 budget if necessary. Chairman Ithurralde commented that this didn't mean the Board had any intention of increasing the budget amounts.

Reserve Fund for Retiree Insurance Subsidies: There has been continuing discussion on creating an account for prefunding retiree insurance subsidies. The State of Nevada is still working on a statewide fund for utilization by the counties, and Mr. Rebaleati suggested that the Board consider an interim fund on the County level. Commissioner Fiorenzi motioned that the Recorder/Auditor continue setting up a reserve fund for the mandatory retiree premium subsidies. Commissioner Bailey seconded the motion. Motion carried 3-0.

EUREKA VOLUNTEER FIRE DEPARTMENT

Contract with School District for Fire Engine Storage: Mike Rebaleati, representing the Fire Department, and John Brown, President of the School District Board of Trustees, discussed fire truck storage with the Commissioners. Temporary storage is required for three fire trucks during construction of the Eureka Town Fire Station. Storage in one of the School District bus bays was originally considered, but costs proved prohibitive, so a decision was made to store the trucks in the County Shop. Mr. Rebaleati asked the County to reconsider an agreement with the School District, believing that this would save ten minutes in accessing the fire trucks during an emergency. Costs for the County would be \$25,000.00 for half of the insulation costs, purchase costs for two heaters (about \$1,300.00 each), and propane costs (about \$500.00 per month). Commissioner Fiorenzi motioned to approve a contract for storage of fire engines with the School District, noting he protested the high costs and was only approving this based on response time. Chairman Ithurralde amended the motion to state not to exceed \$25,000.00. Commissioner Bailey seconded the motion as amended. Motion carried 3-0.

CORRESPONDENCE

Correspondence was received from: Vicky Hastings; Ron Kiel; 7th Judicial District Court; Lumos & Associates (3); Public Works Director, Ron Damele (2); Crescent Valley Public Works; Crescent Valley Town Advisory Board (2); Eureka County Planning Commission; Cooperative

Extension, Gary McCuin; Eureka County 4H News; Public Policy Innovations, BJ Selinder, Allison, MacKenzie, et al; Elko County Public Guardian; Graybar Electric Co.; Huneywill Construction Co.; Nevada Assoc. of Counties (6); Gold Belt Coalition; Tri-County agenda; Southern Nevada Water Authority; Washoe County; Rural Nevada Development Corp.; Nevada Wildland-Urban Interface Fire Summit; Nevada State Treasurer; Nevada Dept. of Taxation (7); Nevada Tax Commission (2); Nevada Dept. of Motor Vehicles; Nevada Gaming Control Board (2); Public Agency Insurance Pool (2); Personnel Management Perspectives; Nevada Commission on Economic Development; Indigent Accident Fund; Nevada Dept. of Transportation; Nevada Div. of Environmental Protection (2); Public Utilities Commission of Nevada (2); Nevada Technological Crime Advisory Board; Nevada Legislative Counsel Bureau; Nevada Works; Nevada Connections; US Dept. of the Interior-Mineral Management Service; National Assoc. of Counties; USGS-Nevada Water Science Center; 2010 Census E-News; National Safety Council; and US Dept. of the Interior-BLM (5).

NEPA COMMITTEE

Update Report: EIS Coordinator, Abby Johnson, stated the NEPA Committee met on September 4th and heard a detailed report from Rex Massey regarding the Mount Hope EIS socioeconomic report. The water model report is expected from Eureka Moly on September 12th and the pit lake report is expected on September 19th. Eureka County is still waiting for the background hydrology chapters.

Socioeconomic Report Comments: Rex Massey, of Research & Consulting Services, was contracted by the County as the socioeconomic consultant for the Mount Hope EIS. Mr. Massey reviewed, for the Commissioners, comments based on his evaluation of the final socioeconomic report produced by General Moly: he was concerned that throughout the report, conclusions were based on qualitative statements and not quantitative data; the population figures (estimating an increase of 700 people at peak production) were slightly underestimated, mainly in relation to school age children; the report spends a lot of time touting increased revenues, but is lacking on forecasted expenditures, some of which the County will certainly incur before any revenues are realized; the report fell short on identifying impacts to Diamond Valley agriculture, especially related to hydrology; he would like to see more delineation on mine responsibilities versus County responsibilities, adding that it is not unusual for developers to pay all onsite and offsite improvements related to a subdivision, including capacity of utilization of municipal facilities; and his other concerns were in the areas of public safety, public services, streets and roads, the medical clinic, schools, utilities, landfill, and need for additional personnel.

The report described Eureka County as a boom-bust mining community; Mr. Massey felt this was inaccurate because the County is more stable than this depiction. The tone of the report was that Eureka County could afford to address the impending changes, so everything will be okay, and Mr. Massey didn't think this was a very realistic or responsible approach.

Mr. Massey concluded that these were the more general comments, but his report also contains about ten pages of specific comments. He then welcomed questions from the Board. Commissioner Fiorenzi was concerned that the socioeconomic report was referred to as the 'final' report. Mr. Massey said this was the administrative internal draft and, as a cooperating agency, Eureka County should be allowed input before the final analysis is actually concluded.

Commissioner Fiorenzi asked if Mr. Massey's comments could be compiled in a fashion that listed the socioeconomic report findings, County departmental comments, and Mr. Massey's comments sequentially, which could prove a useful tool in identifying impacts to local businesses. The Board agreed to direct Mr. Massey and Ms. Johnson to further refine the report in this manner.

Letter to BLM Regarding Mt. Hope Socioeconomic Assessment Report: Based on a recommendation from the NEPA Committee and concerns with the Mount Hope Project

Socioeconomic Assessment, Commissioner Fiorenzi motioned to send a letter to the Bureau of Land Management. Commissioner Bailey seconded the motion. Motion carried 3-0.

Letter to BLM Regarding Air Quality Report: The NEPA Committee reviewed a report from Kirk Wingses with Environ, contracted as the County's air quality technical consultant regarding the Mount Hope Project EIS. Mr. Wingses identified inconsistencies in the selection of emission factor methodology used in the EIS report, and drafted a letter on behalf of the County outlining these concerns. Per recommendation of the NEPA Committee, Commissioner Fiorenzi motioned to send this letter to Steven Drummond of the BLM regarding air quality issues in the draft EIS. Commissioner Bailey seconded the motion. Motion carried 3-0.

YUCCA MOUNTAIN

Update Report: Nuclear Waste Advisor, Abby Johnson, reported on Yucca Mountain activities. The Nuclear Regulatory Commission set a 60-day period for contentions to be submitted following the docketing of the license application, expected later in September. On September 18th, Ms. Johnson will represent the County at the Department of Energy's Affected Units of Local Government meeting in Las Vegas. That will be the last meeting Ward Sprute will attend as head of the Office of Civilian Radioactive Waste Management. Ms. Johnson will attend the Nuclear Waste Technical Review Board meeting on September 24th. The Yucca Mountain newsletter is scheduled to be published the following week.

DEPARTMENT HEAD REPORTS

COUNTY FACILITIES AND ECONOMIC DEVELOPMENT

Update Report: Facilities Director, Wally Cuchine, gave an update on recent activities. He provided copies of a two-page newspaper article about Eureka, published in the Sunday edition of the Las Vegas Review Journal. The article was quite complementary to Eureka and provided tourist information regarding motels, restaurants, gas stations, etc. Mr. Cuchine received three calls just that morning requesting further information as a result of the article.

The music room at the Sentinel Museum is complete. Commissioner Ithurralde's letterman jacket from 1959 has been added to the museum collection. The weekly Farmer's Market was held on September 4th, but unfortunately the freezing weather has affected the availability of vegetables. September 18th will be the last market of the season. Missoula Children's Theater will be at the Opera House preparing for a showing of Robinson Crusoe on September 26th. Lastly, there is a new art exhibit in the Gallery Hall of the County Courthouse.

SENIOR CENTERS

Update Report: Site Directors, Millie Oram and Adell Panning, reported on their respective centers. During August, the Eureka Senior Center served 1,045 meals and the Fannie Komp Senior Center served 636 meals. Total deposits for August were \$10,464.92.

A quilting class is being held every Wednesday at the Fannie Komp Senior Center with an instructor from Lander County. The seniors are putting together an event that they're calling the Crescent Valley Follies. It is a 'men in drag' beauty contest complete with evening gown, swimsuit, and talent competitions which will be held at the Ranch House. So far eight volunteers or 'victims' have committed to participating.

Both Directors will attend the Nevada Senior Center Association meeting in Tonopah on September 19th. The meeting will include a presentation from Mom's Meals, a new organization that delivers meals to seniors.

AMBULANCE & EMS

Update Report: EMS Coordinator, Mike Sullivan, reported on activity for the past two weeks. Eureka had two calls for ambulance service (for a year-to-date total of 75). Crescent

Valley had three calls (for a year-to-date total of 41). Mr. Sullivan reviewed volunteer staffing levels at both ends of the County. The Eureka Fire Department's air fill station has been installed in the ambulance bay until the new fire station is built. The heater has been installed at the Diamond Valley Fire Station and all that remains is to finish the entry ramp. The State EMS training conference is scheduled for the following week and four Crescent Valley volunteers and one Eureka volunteer will be attending. Mr. Sullivan plans to attend for one day to talk with an air EMS service regarding a pending sale that might bring better service into the area.

Ambulance Bill Adjustment: Commissioner Bailey motioned to approve an ambulance bill deduction of \$325.00 for patient #2005218. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

SWIMMING POOL / PARKS / RECREATION

Update Report: Cindy Adams, Pool Supervisor, reported a total of 946 swimmers for the month of August. The Co-ed Softball League has finished their season. Children's soccer has started and is being coached by Travis and Cindy Gallagher. The soccer nets were destroyed by a doe last year, so they only have one set of goals. The downtown park picnic area has been highly utilized, in part by the bicycle groups that travel through town.

The Eureka County Fair was held on August 7th through 10th. Grounds and maintenance preparations were conducted for two weeks prior to the fair, with a total of 327 hours of labor put in by Ms. Adam's crews. Ms. Adams thanked the Road Crew for all their work, bringing in loads and loads of new sand. She thanked Todd Hubbard and Jeb Rowley who welded, oiled, and straightened all of the gates and panels.

County buildings and grounds continue being mowed, groomed, watered, and landscaped. Park bathrooms are cleaned usually three times a week, but will be closed soon for winterizing. The honor camp came and weeded the ditch in Eureka; both sides of Main Street were also weeded and treated. Downtown maintenance continues with sweeping the sidewalk and watering trees and plants three times a week. Staffing levels have decreased with the loss students returning to college and high school.

ROAD DEPARTMENT

Update Report: Road Superintendent, Raymond Hodson, reported on Road Department activities for the past month. The crew in Crescent Valley has swept all the streets. Due to a lot of flat tires on the Grass Valley Road from McCluskey to the Gund Ranch, crews are putting different material on that road, and will also do some work on a spring in the area. Maintenance work will be done on the JD Road. The Eureka crew has been working on the Roberts Creek Road and will continue there; General Moly has provided a water truck and operator to help maintain that road. Work has begun on the Fish Creek Road and the Sadler Brown Road.

2008 Street Maintenance Project: The manholes are finished. Reno Avenue is poured; backfilling and paving should begin next week. Highway 101 should be poured next week, followed by backfilling and paving. Slurry sealing is all done, including the warranty work from last year, including modifications to Dibble Lane.

COUNTY ENGINEER

2008 Street Maintenance Project: Tom Young, of Lumos & Associates, agreed with the report given by Mr. Hodson on the Street Maintenance Project, and expects Highway 101 to be open in approximately 2.5 weeks. Dibble Lane was originally under-paved by an eighth of an inch, so Mr. Young gave the contractor the option of taking a reduced payment or slurry sealing and they chose to slurry seal.

Eureka Town Fire Station Project: Demolition of the old Fire Station building is complete; demolition will continue on the foundation and the old retaining wall. An oil tank will be removed

and dirt work will begin. Work is ahead of schedule and the contractor should be able to get quite a bit done before winter.

Spring Rehabilitation Project: Mr. Young reported that they are about 50 percent through with design on the six springs that were identified for the first phase for the Spring Rehab Project. A lot of background work has been done on locating the springs with respect to the water rights, and minor adjustments are still being worked out, with plans to file amendments on the water rights all at once.

Jim Baumann asked about the spring development project, since one of the springs is a water source for his cattle. Mr. Young explained that the spring would be isolated from the surface by covering it with soil, installing a concrete cap, and fencing off the immediate area. Drainage will be diverted around this area, so the surface water will be isolated from the spring water so it will meet the requirements of a groundwater source.

1.25 Million Gallon Tank and Booster Station Projects: The new water tank and booster station are being designed as a combined project. The tank will be installed on Tank Hill. Upgrades will include back-up power to the booster station and wells and redundant power sources in the wells. Comments were already received from the State on the 50-percent plans submitted the previous week. 100-percent plans, including structural and electrical, should be complete by the end of October. The preliminary cost estimate of this project was between 1.5 to 2.5 million dollars, but with rising costs and increasing the tank size from one million to 1.25 million gallons, costs are now estimated to be closer to three million dollars.

Mr. Young has two different project management teams working on the tank/booster station project and the sewage facility project, so they can be worked on concurrently. The tank and booster station project can go to bid as soon as final comments are received from the State.

Prioritization of Projects: Public Works Director, Ron Damele, stated that all four projects were needed (spring rehabilitation, water tank, booster station, and sewer facility), but because materials and construction costs were increasing at such a rapid rate, he planned to review the budget to make sure it still supports all four projects. Project designs should continue, and prioritization of these projects would provide consent for Public Works and the County Engineer to continue moving forward. Commissioner Fiorenzi motioned to prioritize the Public Works construction projects as follows: (1) sewer treatment facility; (2) water tank and booster station; and (3) spring rehabilitation. Commissioner Bailey seconded the motion. Motion carried 3-0.

Scope of Work for Sewage Treatment Facility: Mr. Young presented a proposed scope of work for expansion of the sewage treatment facility. The proposal takes the project through the bidding process, but does not include construction related services. Commissioner Fiorenzi motioned to approve the scope of work for the Eureka wastewater treatment facility design from Lumos & Associates, not to exceed \$134,500.00. Commissioner Bailey seconded the motion. Motion carried 3-0.

Scope of Work for 1.25 Million Gallon Tank and Booster Station: Mr. Young reviewed the proposed scope of work for the storage tank and booster station project. This project involves erecting a 1.25 million gallon water tank adjacent to the existing 750,000 gallon tank, relocation of water lines, design of new telemetry system, addition of a duplex component to the booster station which involves building another structure. Commissioner Fiorenzi motioned to approve the scope of work for the new water tank and booster station project, not to exceed \$187,600.00. Commissioner Bailey seconded the motion. Motion carried 3-0.

Scope of Work for Spring Rehabilitation: Mr. Young reviewed the scope of work for phase one of the spring rehabilitation project. Phase one includes rehabilitation of six springs: Richmond, Bullwhacker, Gorman, Lani, Summit, and Prospect (aka Hoosig). Commissioner Fiorenzi motioned to approve the scope of work for phase one of the spring rehabilitation project, not to exceed \$56,300.00. Commissioner Bailey seconded the motion. Motion carried 3-0.

RECESS FOR LUNCH

The Board recessed for lunch from 12:03 p.m. to 1:00 p.m.

RECESS FOR DEVIL'S GATE GID MEETING

At 1:01 p.m., Chairman Ithurralde called the meeting back to order and immediately recessed for the Devil's Gate GID meeting.

NEVADA DIVISION OF FORESTRY

Fire District Update: Joe Anelli, Battalion Chief, provided an update on Fire District activities. The three 550 brush trucks purchased in the last fiscal year have been put into service: one in Eureka, one in Pine Valley, and one to northern Eureka County. Mr. Anelli reviewed in detail the status and placement of various other equipment. Some units were taken out of service due to age, some have been refurbished, and others are in need of repairs. The new rescue truck, complete with extrication gear, from Boise Mobile will be delivered to Eureka in one week. The ongoing problem with the tenders needs to be discussed at some point (retanking of these two units was advertised for bid during the previous fiscal year, but the bids came in so high over budget that they were denied). All communication equipment is being upgraded to the P25 system. Training requirements are being met; about 80 percent of planned wild land training was completed this year, with the slight shortfall due to shifts and scheduling.

Mr. Anelli was concerned about winter storage, identifying five units that will not be covered through the winter. He suggested adding some bays to the fire stations or building shed storage, to increase life and reduce maintenance on equipment stored outside.

PUBLIC WORKS

Construction Assistance for Eureka Town Volunteer Fire Station: The fire station design is complete and construction costs are \$3,837,060.00. A proposal was requested from Lumos & Associates for project management and construction assistance, which includes staking the site; special inspections (rebar, concrete, structural, retaining wall, utilities); processing requests for information, reviewing submittals, biweekly construction meetings; architectural, electrical, structural, and mechanical support; compaction testing; surveying; etc. Commissioner Fiorenzi motioned to approve the construction management proposal from Lumos & Associates, not to exceed \$268,594.00 for construction of the Eureka Volunteer Fire Station. Commissioner Bailey seconded the motion. Motion carried 3-0.

I-80 and State Route 278 Interchange: On June 20th the Commission submitted a letter to the Nevada Department of Transportation requesting a cost estimate for upgrading the I-80 and SR-278 interchange to a full interchange. NDOT responded with a total calculated cost of \$3,850,000.00. Currently this project is in their long-range plan, but if the County is willing to contribute funding, and is able to secure federal and state funding, NDOT would reprioritize this project accordingly.

Brown Brothers Proposal for County Shop Repairs: Todd Hubbard, Road Mechanic, reviewed repair needs at the County Shop, recommending replacement of the skylights because they have been a chronic problem. The addition added several years ago was never sealed properly and has always leaked. A proposal was requested from Brown Brothers to replace the damaged panels and to reroof the entire shop. Mr. Damele recommended contracting with the Brown Brothers for installation, with the County purchasing materials, and asked for additional time to obtain separate cost estimates. The Board agreed to table this to the next meeting.

Crescent Valley Construction Projects: A final walk through was conducted the previous week and some final adjustments need to be made, so completion is expected to take an additional week before the building is accepted. Installation of the phones system is still three to four weeks out, but they are working to expedite that.

Eureka Volunteer Fire Station Project: Notice to proceed was issued for September 2nd and work commenced as scheduled. The building is down and the foundation should be removed in about a week and over-excavation of the site should begin.

Justice Facility and Jail Remodel: At the last meeting, the architect reviewed the remodel of the dispatch and booking areas at an estimated cost of \$734,000.00. Mr. Damele met with Sheriff Ken Jones and with the growth expected in Eureka, they felt this remodel should be phase one of the project, with a second phase including cell expansion sometime in the future. Sheriff Jones met with Rex Massey earlier that day to discuss the effects of the anticipated population growth, and the existing jail could be facing a very serious shortage of beds in the near future. Consideration should be given to holding off on phase one until the next budget year and completing all construction at once, which would produce less disruption to the Sheriff's Office. Commissioner Fiorenzi felt it would be beneficial to move forward with the design in this fiscal year and asked Mr. Damele and the Sheriff to meet and discuss what they thought was most practical. The Board tabled action on this item to allow further discussions.

Proposal from Southern Folger Detention Company: A proposal was submitted by Southern Folger Detention Company to complete an onsite inspection and to test the locks and hardware at the detention facility. Commissioner Fiorenzi motioned to approve the proposal from Southern Folger Detention Company, not to exceed \$2,500.00, for the onsite inspection at the Eureka Justice Facility, including authorization for the Public Works Director to sign the proposal. Commissioner Bailey seconded the motion. Motion carried 3-0.

Change Order #5 for Eureka Justice Court: Commissioner Fiorenzi motioned to approve Change Order #5 for installation of a security dialer at the Eureka Justice Court office, not to exceed \$750.00. Commissioner Bailey seconded the motion. Motion carried 3-0.

Memorandum of Understanding with Nye County: Each year, Eureka County enters into a Memorandum of Understanding with Nye County for minimal maintenance and snow removal on approximately 20 miles of Nye County road near the Segura Ranch and Snowball Ranch. Commissioner Bailey motioned to approve the Memorandum of Understanding between Eureka County and Nye County for minimal road maintenance and snow removal in exchange for \$1,000.00 to be paid by Nye County. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

Rough Grade for Relocation of Lay Down Yard: Commissioner Fiorenzi motioned to table this item to the next meeting, pending negotiations with Eureka Moly regarding rough grading an area at the Sewer Treatment Facility for relocation of the County's lay down yard. Commissioner Bailey seconded the motion. Motion carried 3-0.

Progress Report on Annexed Property Temporary Housing Project: Mr. Damele reported that Eureka Moly's contractors are nearly finished with tree harvesting and are constructing a ground lined water storage. Dirt work will likely begin the following week, after the surface disturbance permit and SWIP are in place. The County's salvage contractor, American Salvage, was currently on site removing iron, cars, etc.

EUREKA COUNTY SHERIFF

Request to Modify Resolution Regarding Dogs in County Buildings: Sheriff Ken Jones referenced a resolution passed by the Board on August 20th restricting dogs and animals from County buildings. The resolution didn't include authorization for dogs used by the Sheriff's Department to enter County facilities, which contradicts State statute which does allow for admittance of a police dog accompanied by an officer. The Sheriff knew this was not the intent of the resolution, but was concerned that it left room for misinterpretation. The Board briefly discussed amending the resolution. Commissioner Fiorenzi commented that he would simply like to rescind the resolution and made a motion to this effect, adding that any person who felt

strongly enough could bring a request for a resolution or ordinance forward in the future. Commissioner Bailey seconded the motion. Motion carried 3-0.

NATURAL RESOURCES DEPARTMENT

Activity Report: Natural Resources Manager, Jacob Tibbitts, gave the Board several handouts including the Division of Water Resources monthly report, and press releases regarding General Moly, Inc., and Barrick Gold Corporation. Mr. Tibbitts reported on the PFC (proper functioning condition) and riparian monitoring being conducted on the Roberts Creek Allotment. The PFC is supposed to be a multi-disciplinary approach, with a hydrologist, plant specialist, and involvement by the permittee, which ensures that discussions and decisions are based on a collection of all available data and expertise. Mr. Tibbitts was concerned that this comprehensive approach was not being adopted in this instance, which raised questions regarding the consistency of this monitoring.

Mr. Tibbitts has been spending a lot of time in the office, since he has inherited the meeting duties for the Wildlife Committee, NEPA Committee, and Natural Resource Advisory Committee during Judy Overton's absence. This involves agendas, minutes, meeting packets, and monitoring correspondence.

Mr. Tibbitts attended the following meetings: the Legislative Committee on Public Lands in Lovelock on August 22nd, which was a working session for bill draft requests for the 2009 Legislative Session; he accompanied Gary McCuin to an information meeting on August 25th with NDOT and ARS representatives regarding cooperative projects that may take place in Eureka County; on September 3rd he listened in on the Mount Hope Project EIS conference call; attended the Wildlife Advisory Committee meeting on September 3rd; and attended the NEPA Committee meeting on September 4th. Mr. Tibbitts continues tracking legislation, including proposed changes by the US Forest Service to revise impoundment procedures (changing the notice period to 72 hours – from 15 days, and allowing the USFS to retain impounded livestock for administrative use). Other legislation being monitored is HR24121, the Clean Water Act; SR3213, the Omnibus Federal Lands Bill; and HR2262, the Hard Rock Mining Bill.

Upcoming Meetings: Mr. Tibbitts will continue involvement with the NEPA Committee and the Natural Resources Advisory Committee. Jim Baumann, NRAC Chairman, requested that he pursue the rangeland documentation project that former Natural Resources Manager, Jon Hutchings, began. The next Mount Hope EIS teleconference is scheduled for September 9th; the Natural Resources Advisory Committee will meet on September 10th; he will attend a Water Resources Association seminar on September 18th; he will attend a watershed meeting regarding underground water and rangeland improvements on September 19th; and the Central Nevada Regional Water Authority will meet in Eureka on September 26th.

EUREKA COUNTY FAIR BOARD

Report on 2008 Eureka County Fair: Patsy Tomera, Chairwoman of the Fair Board, reported on events at the Eureka County Fair. The 2008 Fair was quite an accomplishment; the livestock events were a great success with a high level of participation; the Biltoki dinner was wonderful and they plan on returning next year; and the other events such as bingo and the exhibits were well received by the public.

Ms. Tomera went over items that could be improved for future fairs. The Fair Board made a donation to the FFA Chapter, but the students were paid individually also; free dinners were provided to the fair judges and their spouses; and both these items added up to quite a bit. They were not aware that the fairgrounds should be locked and some vehicles got in overnight and tore up the arena, which delayed the horse show the following morning by 2.5 hours. A tent bag was lost, but a replacement was donated by General Nevada Supply. There should be better communication between the Fair Board and the roping club regarding locating the

livestock. The lack of an office makes it difficult to keep records, make phone calls, and write minutes. Ms. Tomera did not understand why the Fair Board had to sign a lease for use of the Fairgrounds. Help should be hired for the fair, or the Fair Board members should receive compensation because of the tremendous amount of time it takes to organize and put on the fair. Time is not the only issue, as the Fair Board must manage legal matters, such as making sure health permits are in place. Ms. Tomera thought hiring a coordinator, such as the person who manages the business aspects for the Elko County Fair, might be a solution; or at the very least, a paid secretary could take some of the burden off the volunteers. The Fair Board hasn't had full membership for quite some time, so the burden of work falls on a very few who also have responsibilities at home, especially those with farms or ranches, as it is their busy season.

At the Fairgrounds, Ms. Tomera requested a lane or alley at the holding pen area so it is easier to move the cattle from the large pen into the smaller pens. She would like to see a bar built, so the bar could be separated from the food service area. Ms. Tomera concluded by thanking the Commissioners for the support and funding that the County provides and by thanking the Fair Board members for all of their hard work.

The Commissioners agreed that the workload on the Fair Board was extensive, and Chairman Ithurralde suggested that the Fair Board bring their requests forward during the next budget sessions after the first of the year.

Letter of Resignation from Vicky Hastings: Commissioner Bailey motioned to accept the resignation of Vicky Hastings from the Fair Board. Commissioner Fiorenzi seconded the motion. Motion carried 3-0. Ms. Hastings was present at the meeting and Chairman Ithurralde conveyed that the County was appreciative of the hard work and dedicated service she had provided over the past several years.

Advertising for Fair Board Vacancies: Ms. Tomera reported that the Fair Board is a seven member board, but currently has only four members. Commissioner Fiorenzi motioned to advertise for three vacancies on the Eureka County Fair Board. Commissioner Bailey seconded the motion. Motion carried 3-0.

UNIVERSITY OF NEVADA COOPERATIVE EXTENSION

Update on Extension Activities: Extension Educator, Gary McCuin, reported on activities, including the 4H events and hay competition at the Eureka County Fair. The contests were very successful and he expects them to grow each year. The 4H members did well at their auction, and carcass data will be provided at their annual dinner in December.

The Cooperative Extension program continues with permittee monitoring, and Mr. McCuin is working with Fish Creek Ranch and Simpson Creek Ranch on field tours, which will be followed with a workshop in the fall. Two other area ranches have expressed interest in the program. Other projects include an herbicide trial on perennial mustard; a research project to study pinion juniper encroachment and its effect on water; a program to improve irrigation efficiency; and continued work on an area needs assessment.

Authorization for Out-of-State Travel: Mr. McCuin requested authorization for himself and the Natural Resources Manager to attend a workshop regarding groundwater and rangeland improvements in Prineville, Oregon. Commissioner Fiorenzi motioned to approve the travel as requested. Commissioner Bailey seconded the motion. Motion carried 3-0.

Certificate of Appreciation: A certificate of appreciation from the Cooperative Extension, Eureka Producers Co-Op, and the Eureka County Fair Board was presented to the Eureka County Commissioners for their support of the 2008 Eureka Fair Hay Contest.

LOCAL EMERGENCY PLANNING COMMISSION

Grant Application: Commissioner Bailey motioned to approve the application for a Hazardous Materials Emergency Preparedness Grant to the State Emergency Response

Commission for \$3,247.00 in funds to send LEPC members to training in Las Vegas. Commissioner Fiorenzi seconded the motion. Motion carried 3-0.

COMMISSIONERS

Update Reports: Chairman Ithurralde began by reading the following statement into the minutes: *“Pursuant to NRS 241.015(2)(b)(2), which allows this Board to discuss potential or existing litigation with its counsel outside of an open meeting, this Board this morning discussed with its counsel the upcoming water hearing for the Mt. Hope mine to appropriate water in Kobeh Valley. ¶After this discussion, the consensus of this Board is to proceed to the water hearing set to begin October 13 in Carson City unless a fair and reasonable settlement can be reached. If no settlement is reached, and the water hearing is conducted, this Board will review the Water Engineer’s decision with its counsel and consider whether it is appropriate to appeal the Water Engineer’s decision. That is all the information the Board is prepared to release on this contested issue at this time.”*

Commissioner Bailey reported on a teleconference with General Moly, where the mine indicated expenses for various projects were higher than originally anticipated.

Commissioner Fiorenzi attended the NEPA Committee meeting on August 21st; traveled to Crescent Valley on August 28th with Public Works for a construction project walk-through; on September 3rd, he met with Eureka Moly and Public Works regarding the subdivision costs; and on September 4th he attended another NEPA Committee meeting.

Chairman Ithurralde attended the quarterly Nevada Association of Counties meeting in Reno; met with Karen Peterson, attorney for the water protests, recently in Carson City along with the hydrologist team, and met with Ms. Peterson again that morning prior to the Commission meeting; met with Public Works regarding concerns over the water and sewer lateral requirements that will likely be passed by the Public Utilities Commission; and spoke with Jeff Fontaine, Executive Director of NACO, regarding water issues in Eureka County in preparation for Mr. Fontaine’s panel discussion with the Nevada Mining Association.

Resolution Honoring Retiring Employees: Commissioner Fiorenzi motioned to approve a resolution honoring retiring long-time employees Karen Labarry, Jerry White, and Steve Auch. Commissioner Bailey seconded the motion. Motion carried 3-0. Chairman Ithurralde requested that the retirees be invited to the September 19th meeting to be formally recognized and receive a copy of the resolution.

Letter to Crescent Valley Town Advisory Board: The Crescent Valley Town Advisory Board requested information regarding the Crescent Valley water system. District Attorney, Ted Beutel, responded with correspondence and supporting documents. Apparently the Town Board didn’t feel this was sufficient and requested a written response from the Commissioners. Commissioner Fiorenzi researched the background regarding the Crescent Valley water system and found that in the November 1998 election a question was included on the ballot asking if the Eureka County Code should be written to grant special governing authority to the Crescent Valley Town Advisory Board regarding management of the water system. A ‘yes’ vote would grant additional power to the Town Board and a ‘no’ vote would retain the Town Board as simply an advisory board. The question was defeated by a vote of 29 ‘yes’ votes and 67 ‘no’ votes. Subsequently, the Commissioners attended a CVTAB meeting to inform that board that the water system would be managed by the Commissioners through the Public Works Department.

Commissioner Fiorenzi suggested drafting a letter to the CVTAB including information previously provided by the District Attorney, along with the information he just described. Additionally, he would like to inform the Town Board that prior ordinances that are not included when the County Code is re-codified (as has been done in 1989 and 2006), are no longer in effect, but simply have the status of historical documents, and it is confusing to the public to circulate documents that are no longer in force and effect. Commissioner Fiorenzi made a

motion to draft this letter, including authorization for the Chairman to sign the letter outside of the meeting. Commissioner Bailey seconded the motion. Motion carried 3-0.

Letter of Commendation to Bill Webb: Mr. Webb recently retired from Elko County, and Chairman Ithurralde had requested a letter commending Bill Webb for his past service to Eureka County during the early years of the ambulance and emergency services. Commissioner Bailey motioned to approve the letter; Commissioner Fiorenzi seconded the motion; motion carried 3-0.

Devil's Gate GID Special Assessment: The Devil's Gate GID Board of Directors recommended that clarification be made regarding a resolution defining a special assessment supporting the Devil's Gate GID water system. Commissioner Fiorenzi felt it was more appropriate to include the special assessment in the Devil's Gate Ordinance which is part of the County Code. Commissioner Fiorenzi motioned to move forward on incorporating language into the Devil's Gate Ordinance regarding this special assessment. Commissioner Bailey seconded the motion. Motion carried 3-0.

PUBLIC COMMENT

The Chairman called for public comment. Cindy Adams remarked on the earlier comments made by Patsy Tomera. Ms. Adams felt the Fair Board members were volunteers and should not be paid. Ms. Adams stated in working with the various County facilities, she found the Fair Board the hardest group to work with. Much of the preparation work at the Fairgrounds is done by Ms. Adam's crews, with many hours spent on the grounds and buildings. Ms. Adams also felt the teens working during the Fair should be paid.

Chairman Ithurralde suggested appointing a Commissioner liaison to the Fair Board, similar to those appointed to other County groups or boards. This will be done in January when the annual appointments are made.

ADJOURNMENT

At 3:54 p.m., Commissioner Fiorenzi motioned to adjourn the meeting. Commissioner Bailey seconded the motion. Motion carried 3-0.

Approved this 6th day of October, 2008.

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

Attest: /s/ Jackie Berg
Jackie Berg, Clerk