

EUREKA COUNTY BOARD OF COMMISSIONERS

October 5, 2018

STATE OF NEVADA)
)
) :ss
COUNTY OF EUREKA)

CALL TO ORDER

The Board of Eureka County Commissioners met pursuant to law on October 5, 2018. Present were Chairman J.J. Goicoechea; Vice Chairman Michael Sharkozy; Commissioner Fred Etchegaray; District Attorney, Ted Beutel; and Commissioner Clerk, Jackie Berg. The meeting was called to order at 9:30 a.m. and began with the Pledge of Allegiance. The interactive video conferencing system was connected and utilized between Crescent Valley and Eureka for the entire meeting.

APPROVAL OF AGENDA

Commissioner Sharkozy motioned to approve the agenda as posted; Commissioner Etchegaray seconded the motion; motion carried 3-0.

PUBLIC COMMENT

Chairman Goicoechea called for public comments; there were none.

APPROVAL OF MINUTES

September 20, 2018: Commissioner Sharkozy motioned to approve minutes of the September 20, 2018, meeting; Commissioner Etchegaray seconded the motion; motion carried 3-0.

COUNTY COMPTROLLER

Payment of Expenditures: Expenditures were presented for approval by Assistant Comptroller, Kim Todd. Commissioner Etchegaray motioned to approve expenditures in the amount of \$245,114.04 for accounts payable, \$284,330.82 for payroll expenses, \$826,255.52 for a pass-through tax allocation to the School District, \$865,317.63 for a pass-through to the State Controller, \$35,690.00 for a pass-through to the Division of Minerals, \$233.93 for a pass-through to the Department of Taxation, and \$2,370.00 for Yucca Mountain expenses, for a grand total of \$2,259,311.94. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

Fund Balances Report: The Board reviewed the report showing current fund balances. Ms. Todd also provided the Board with a report showing actual cash balances and asked the Board if they would prefer to receive both reports in the future. She explained that certain funds are proprietary funds, which are net position accounts. Accounting standards require that the balances for proprietary funds include assets, liabilities, and inflow and outflow of resources.

The Board agreed they would like to see both reports in the future.

COMMISSIONERS

Dale C. Bugenig, Consulting Hydrogeologist, LLC: Dale Bugenig provides consulting services to the County and his contract was up for renewal. Mr. Bugenig explained that he has consistently been able to perform his work for an amount significantly less than the annual contract limits. Commissioner Etchegaray motioned to approve a one-year contract extension with Mr. Bugenig, from October 1, 2018, to September 30, 2019, in an amount not to exceed \$80,000.00; Commissioner Sharkozy seconded; motion carried 3-0.

Preliminary Order of Determination for the Diamond Valley Adjudication: Chairman Goicoechea noted that the County has concerns with certain aspects of the State Engineer's Preliminary Order of Determination for the Diamond Valley Adjudication. Objections must be filed

with the Nevada Division of Water Resources no later than November 7th. The County's comments will focus strictly on municipal water rights and the BLM's Public Water Reserve 107 claims and will not address preliminary findings related to other water rights.

Natural Resources Manager, Jake Tibbitts, explained one issue: the State Engineer took the BLM's flow measurements at face value. But the BLM did their field work in April and May of 2016, the wettest year and wettest spring in the past 20 years, so the measurements were artificially high. Dale Bugenig will document flow levels this year to provide data on a typical year and to show that the BLM's measurements are not sustainable.

County staff will work with the water attorneys to address these concerns and any concerns with the County's municipal water rights.

Commissioner Etchegaray motioned to file objections on specific findings related to municipal water rights and Public Water Reserve 107 claims in the State Engineer's Preliminary Order of Determination for the Diamond Valley Adjudication. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

Pre-Hire Screening for Sheriff's Office: The pre-hire process for Deputy Sheriffs can be a lengthy process since it involves screenings, background checks, and investigations. As Sheriff Logan retires and Sheriff-Elect Watts prepares to take office, it was brought to the Chairman's attention that it would be beneficial to address some of the pre-hire requirements so that existing vacancies can be filled in a more expeditious manner.

District Attorney Beutel located a firm that can do this task for the County at a very reasonable rate, and he informed the Board that they are willing to enter into a short-term contract through the end of the calendar year.

Commissioner Etchegaray motioned to approve a contract with Martin Investigations through December 31, 2018, to conduct background, pre-hire, screening, and investigations on one or more applicants for deputized positions at the Sheriff's Office, for a not to exceed amount of \$5,000.00. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

Sagebrush Ecosystem Program: Chairman Goicoechea reported that the Sagebrush Ecosystem Council will meet in Carson City on October 11th. He noted that the SEC has worked hard to reduce restrictions related to sage grouse and expects they won't be as onerous when the amended land use plans are approved.

SENIOR CENTERS

Update Report: Senior Centers Program Director, Millie Oram, reported on activities at the Eureka Senior Center and Fannie Komp Senior Center. In September, Eureka served 654 meals and Crescent Valley served 465 meals. A total of \$1,908.00 was deposited for the month.

JUVENILE PROBATION

Red Ribbon Week Proclamation: Juvenile Probation Officer, Steve Zimmerman, presented a proclamation declaring Red Ribbon Week, which involves local schools to promote a drug-free and alcohol-free community through awareness, activities, and education. This year's theme is, "*Life's a Journey, Travel Drug Free.*" This is the 30th year Red Ribbon Week has been nationally recognized, and Eureka County has participated since its inception.

Commissioner Sharkozy motioned to adopt the 2018 Proclamation declaring October 14th-20th as Red Ribbon Week in Eureka County; Commissioner Etchegaray seconded the motion; motion carried 3-0.

Music Makes Music: Mr. Zimmerman sought approval to make an up-front payment for the band, Music Makes Music, to perform a rock concert at the Eureka County High School during Red Ribbon Week. Band members will visit classrooms to share personal messages about staying away from drugs and pursuing positive goals. Music Makes Music will perform the following week at the Battle Mountain High School, so Crescent Valley students will also benefit. The cost for the band will be reimbursed by the Community Corrections Partnership Block Grant.

Commissioner Sharkozy motioned to approve payment of \$2,800.00 for the Music Makes Music Program to perform during Red Ribbon Week, with the payment later reimbursed by the Community Corrections Partnership Block Grant. Commissioner Etchegaray seconded the motion. Motion carried 3-0.

ROAD DEPARTMENT

Report on Activities: Assistant Public Works Director, Raymond Hodson, reported on Road Department projects and activities. Crews finished blading 3 Bars Road, Grass Valley Road, and numerous secondary roads. Blades are now working on Roberts Creek Road, JD Ranch Road, and around the Fish Creek area. In preparation for winter, two loads of salt were picked up from Fallon and snowplows are being prepared – frames and sanders are being sandblasted and repainted. The two new sander/spreaders should arrive soon.

Northern crews finished blading Palisade and are now blading Maggie Creek, Crescent Valley, and assisting on the JD Ranch Road and vicinity with the large water truck. The screening plant will be moved to the Isaac Gravel Pit and crews will begin hauling gravel.

PUBLIC WORKS

Public Works Update: Public Works Director, Ron Damele, reported on Public Works projects and activities. All utility systems are in good working order.

Portable Repeater: The portable repeater, purchased with a SERC grant, has been received and will be a good asset for the County, particularly for emergency management.

US EPA: The Environmental Protection Agency received an additional \$630,000.00 for cleanup efforts in Eureka, which should extend their work into November, weather permitting.

Road Maintenance MOUs: Public Works is coordinating with both McEwen Mining and Barrick Gold on Memorandums of Understanding for road maintenance on the roads that are heavily used by the mines to access their respective projects.

NDF Conservation Crews: Honor crews from the NDF Conservation Camp have been cleaning up litter at the Eureka Landfill and will move to Crescent Valley next for town cleanup efforts in cooperation with Crescent Valley Firewise and the Town Advisory Board.

Snow Plows / Sanders: As reported earlier by Mr. Hodson, crews have dismantled most of the snowplows, which are being repainted. The new sanders/spreaders will be installed on two of the trucks.

Fire Assist: Pine Valley volunteers recently responded with an engine to offer assistance with structure protection in Lamoille Canyon for the Range Two Fire.

Tyler Conversion: The Public Works office has completed conversion to Tyler Technologies software for utility billing. Staff has indicated it should be a good system once everyone becomes proficient with the software.

Opera House Elevator: Mr. Damele presented an elevator repair proposal from Silver State Elevator Company. The Opera House elevator has been out of service for approximately 60 days after failing a static test, which was found to be caused by a hole in the hydraulic jack cylinder that lifts the elevator. Mr. Damele worked with Silver State Elevator to evaluate repair options. Full replacement would require compliance with ADA requirements, which is not possible due to the size of the elevator chamber. The other option is to remove and replace the hydraulic jack cylinder, which involves redrilling and recasing since the cylinder extends 31 feet into the ground. If approved, repair is not expected to be complete until after the first of the year.

Commissioner Etchegaray motioned to accept the time and materials proposal from Silver State Elevator Company for repair of the Opera House elevator in an amount not to exceed \$142,000.00, to be paid from the Building Operation & Maintenance Reserve Fund. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

IT / NETWORK

Out-of-State Travel: Commissioner Etchegaray motioned to approve out-of-state travel for IT Manager, Misty Rowley, to attend the Cisco Live Conference in San Diego on June 9th-13th, 2019; Commissioner Sharkozy seconded the motion; motion carried 3-0.

HEALTH INSURANCE ADVISORY COMMITTEE

Insurance Plan Options for 2019: Jayme Halpin, Chair of the Health Insurance Advisory Committee, explained that the Committee met with the contracted broker, LP Insurance Services, represented by Trinity Steelman, on October 3rd for a review of insurance plans and options for employees and retirees. In researching the market and obtaining quotes, the broker recommended that the County continue with Standard Insurance Company for health, dental, vision, and life insurance.

The broker worked with Standard to lower premium rates and to improve coverage. For Calendar Year 2019, overall premium rates were decreased by 4.82%. Deductibles on the three health plans were lowered to \$1,000.00 and \$1,500.00 for the POS (Point-of-Service) plans and \$3,000.00 for the HD (Health Savings Account High Deductible) plan. Current deductibles for 2018 are \$1,500.00, \$2,500.00, and \$4,000.00 respectively. Dental, vision, and life will basically remain the same, except that preventative dental work will no longer be charged against the maximum annual benefit.

The HIAC concurs with the broker’s recommendations for these plans and recommends the \$1,500.00 deductible plan as the sponsored health plan. Employees may select from the three health plans offered, but premiums paid by the County are calculated on the sponsored plan.

Mr. Halpin added that the broker explained an option that could offer additional savings on life insurance. The current life insurance benefit is reduced to 50% at age 70. In the alternate option, life insurance would reduce to 65% at age 65, 30% at age 70, and 5% at age 75. The HIAC opted not to recommend this, but wanted the Commissioners to know it was available.

Chairman Goicoechea thanked the Committee for their efforts, which resulted in better coverage and reduced rates for 2019. The Commissioners will take formal action at a future meeting to accept the recommendations and select the sponsored plan.

PUBLIC HEARING – EUREKA COUNTY PERSONNEL POLICY

Notice of Hearing: Notice was given that a public hearing would be held at 10:15 a.m. on October 5th for the Board to hear comments and take action on a resolution to amend the Eureka County Personnel Policy as proposed on September 20th. All employees were noticed that the proposed policy changes were on file with the County Clerk and available on the County website.

Open Hearing: Chairman Goicoechea opened the public hearing and invited comments on proposed changes to the Eureka County Personnel Policy. No comments were forthcoming. The Chairman noted that he had received zero feedback from employees or the public related to the proposed changes. Likewise, the other Commissioners had not heard any comments.

Amend Personnel Policy: Commissioner Sharkozy motioned to adopt the Resolution Amending the Eureka County Personnel Policy as presented; Commissioner Etchegaray seconded the motion; motion carried 3-0.

Eureka, Nevada

September 20, 2018

RESOLUTION
AMENDING THE EUREKA COUNTY PERSONNEL POLICY

WHEREAS, the Eureka County Personnel Policy has been updated and amended pursuant to the procedure contained in the Eureka County Code, Title 2, Chapter 50; and

WHEREAS, the Board of Eureka County Commissioners has been presented by the Comptroller's Office with various annual updates and amendments of the policy for consideration; and

WHEREAS, the updated Policy (with the changes to be considered already incorporated) is available to view at the County's website: <http://www.co.eureka.nv.us/>; and

NOW THEREFORE BE IT RESOLVED this Resolution was proposed on the 20th day of September, 2018, and circulated to the Commissioners for their review and modification that same day; and

IT IS FURTHER RESOLVED the Comptroller's Office will circulate this Resolution for review to all departments electronically, for distribution to County employees, requesting comment on the proposed changes to the Policy; and

IT IS FURTHER RESOLVED A PUBLIC HEARING WILL BE CONDUCTED October 5, 2018, beginning at 10:15 a.m. or as soon thereafter as the matter may be heard in the County Commission chambers, following publication of the hearing in the Eureka Sentinel once at least ten (10) days before the hearing; and

IT IS FURTHER RESOLVED at that public hearing, and any additional public hearings if deemed necessary, the Commissions may adopt, reject, or adopt with revisions or amendments one, some, or all of these proposed changes to the Policy.

ADOPTED this 5th day of October, 2018.

/s/ J.J. Goicoechea, DVM
Chairman of the Board
Eureka County Commissioners

Attest: /s/ Jackie Berg
Commissioner Clerk

CHRISTMAS LIGHTING & MAIN STREET DECORATING COMMITTEE

Background on Committee: Kathy Bacon-Bowling and Patty Peek were in attendance representing the Christmas Lighting & Main Street Decorating Committee. Ms. Bowling explained that volunteers organized the annual Christmas Tree Lighting event in 2017. Through the process they learned two things: (1) the community would like to see Main Street more festive for the holidays, and (2) the large tree on Main Street near the Eureka Senior Center is not an ideal location for the event. As a result, the Committee was formed and is sponsored by the nonprofit organization, Eureka Restoration Enterprise.

McEwen Mining is involved with the Committee and has donated \$3,500.00 for Main Street decorations. Decorations will be put up and taken down by volunteers. The Committee is working with the volunteer firemen to move the Christmas Tree Lighting event to the Eureka Fire Station.

Letters will be sent to Main Street businesses inviting them to decorate, and the Committee will award a \$100.00 gift basket to the best decorated business. Ms. Peek reminded the Board that Mt. Wheeler Power donates free electricity each year for holiday lighting.

Funding Request: The Committee requested monies from the Eureka Activities Fund to support the Christmas Tree Lighting event - \$2,500.00 for lights and decorations and \$700.00 for supplies. Additionally, they requested funds to purchase a Conex storage container to store holiday lights and decorations.

After a brief discussion, the Board recommended that the Committee purchase a 40-foot Conex, at an approximate cost of \$6,000.00, and directed them to work with Public Works to determine the best location for the unit.

Commissioner Sharkozy motioned to approve the request from the Christmas Lighting & Main Street Decorating Committee to grant \$9,200.00 from the Eureka Activities Fund to support the Christmas Tree Lighting event and to purchase a 40-foot Conex storage container; Commissioner Etchegaray seconded the motion; motion carried 3-0.

TELEVISION DISTRICT

Notification from T-Mobile: Bill Leppala, President, and Tracy Moylan, Member, were in attendance representing the Television District. Mr. Leppala presented the Commissioners with a copy of a letter from T-Mobile (dated April 13, 2018), stating that the Television District received the letter by certified mail on May 21st.

The letter stated T-Mobile was preparing to commence operations on its 600 MHz spectrum in FCC Partial Economic Area #76 by October 25th. The letter served as 120-day notice that Eureka County Television District must cease operation of or relocate certain stations that would interfere with the 600 MHz transmission.

Request for Augmentation: Mr. Leppala stated it will cost \$80,000.00 to relocate the eight channels (seven broadcast to Eureka and one to Crescent Valley) affected by T-Mobile's directive. He requested that the Commissioners consider augmenting capital outlay in the Television District's budget by \$80,000.00. The current budget has \$35,000.00 for capital outlay, primarily for a project to upgrade to air fiber and eliminate microwave transmission from Mary's Mountain.

Assistant Comptroller, Kim Todd, stated that invoices totaling \$60,000.00 were processed in accounts payable two weeks earlier for Television District expenditures. This exceeded their capital outlay budget, so she contacted their contractor, Eagle Communications, and was informed that the invoices were parts and equipment to comply with the T-Mobile notice. She was informed that there will be an additional charge for labor of up to \$20,000.00.

Commissioner Responses: Chairman Goicoechea asked why the Commissioners were not informed of the T-Mobile letter until October 5th, since it had been received by the Television District on May 21st, over four months earlier. Mr. Leppala stated he did not feel an augmentation would be an issue "*under these circumstances*" because the Television District has a large fund balance. Chairman Goicoechea responded that the County has been very conservative in its spending and the Commissioners do not take augmentations lightly. Unfortunately, the budget has already been overspent and now the Commissioners must address the matter.

Commissioner Etchegaray offered a solution of combining the budgeted capital outlay amount of \$35,000.00 with an augmentation of \$45,000.00 to reach the \$80,000.00 needed to address the T-Mobile issue. This would require that the planned capital outlay project for the current fiscal year (air fiber) be placed on hold until the next fiscal year.

Motions Regarding Proposed Augmentation: Commissioner Etchegaray motioned that the Board consider an augmentation of \$45,000.00 to the Television District capital outlay budget for Fiscal Year 2018-2019; Commissioner Sharkozy seconded the motion.

After further discussion, Commissioner Etchegaray felt it might be prudent to consider a \$50,000.00 augmentation to avoid further over-expenditure of the Television District budget. Commissioner Etchegaray amended the motion to instead consider an augmentation of \$50,000.00 to the Television District capital outlay budget for Fiscal Year 2018-2019, with the condition that the air fiber project "*takes a ride for a year.*" Commissioner Sharkozy seconded the motion as amended. Motion carried 3-0.

Set Public Hearing to Consider Augmentation: Commissioner Sharkozy motioned to schedule a public hearing at 1:30 p.m. on November 8, 2018, to consider a resolution to augment the Television District's budget for Fiscal Year 2018-2019. Commissioner Etchegaray seconded the motion. Motion carried 3-0. The public hearing will be a joint meeting with the Television District.

NATURAL RESOURCES

Report on Activities: Natural Resources Manager, Jake Tibbitts, reported on recent activities. He attended the Eureka Conservation District meeting on September 25th. On September 28th he spent the day with a grazing permittee looking at sites for a potential stock well (Mr. Tibbitts and the Chairman have been working with the BLM to remove conflicts and move ahead with water developments). Mr. Tibbitts informed the Commissioners that although they approved his attendance at the Public Lands Council Annual Meeting in Park City, Utah, he was unable to attend.

Upcoming Meetings: Upcoming meetings include a Natural Resources Advisory Commission meeting on October 10th; a Eureka Producers' Cooperative meeting on October 11th; a Central Nevada Regional Water Authority meeting in Fallon on October 12th; and a State Conservation Commission meeting in Carson City on October 15th.

Walker River Court Case: At a recent meeting the Board voted to determine the most efficient and effective manner to move forward with filing an amicus brief, either independently or by joining others, in a case concerning adjudicated water rights (*Mineral County and Walker Lake Working Group, Appellants vs. Walker River Irrigation District, et al, Respondents*). After researching options, Mr. Tibbitts found that every water rights attorney in the State is involved in the case or has a conflict, making it difficult for Eureka County to file independently.

The Carson Water Subconservancy District has retained King & Russo Ltd., and they are allowing others to sign onto their brief. Humboldt River Basin Water Authority has decided to use this avenue to join the case. Mr. Tibbitts recommended that Eureka County support the Carson Water Subconservancy brief and be involved through their membership in HRBWA. The Board agreed that this was the most practical approach based on Mr. Tibbitts' findings.

Deep South Expansion Project: Mr. Tibbitts reported that notice of the Draft EIS for Barrick Cortez's Deep South Expansion Project would be published the following week in the Federal Register initiating a 45-day public comment period.

Gold Rock Mine Project: The Record of Decision was issued for the Gold Rock Mine Project, formerly owned by Midway Gold and now owned by GRP Gold Rock, LLC (a subsidiary of Fiore Gold Inc.). Although located in White Pine County, the Gold Rock Mine is closer to Eureka than Ely, so Eureka will experience socioeconomic impacts due to the influx of workers.

Goldrush Project: Mr. Tibbitts informed that Barrick Cortez has filed a dewatering application with the Division of Water Resources for the Goldrush Project at Horse Canyon. Notice must be published for four consecutive weeks (it has appeared in the *Eureka Sentinel* twice) and then there will be a 30-day protest period.

Secretarial Order 3369: On September 28th, Secretary Ryan Zinke, Department of the Interior, issued Secretarial Order No. 3369, "Promoting Open Science," in an effort to create transparency and accountability in the science review process and administrative procedures involved in actions taken by bureaus under the Department.

Instructional Memoranda 2018-19: On September 27th, the BLM issued Instruction Memorandum 2018-109, "Flexibility in Livestock Grazing Management." Mr. Tibbitts stated he is still reviewing it and it will be discussed at the October 10th NRAC meeting.

Gold Bar Exploration Project: Mr. Tibbitts prepared a comment letter on the Gold Bar Exploration Project EA. He noted that McEwen Mining has been a good neighbor and a great addition to the community. The letter supports the project and the comments are intended to have the EA align with the County's policies and Master Plan. Mr. Tibbitts stated he believes all of the comments can be addressed with language changes or clarifications in the EA, including updating some of the socioeconomic data. He stressed that the County is not asking for any new analysis and does not wish to delay the process.

Commissioner Etchegaray motioned to approve sending the comment letter to the BLM on the Gold Bar Exploration Project EA; Commissioner Sharkozy seconded the motion; motion carried 3-0.

Sage Grouse Issues: Greater Sage-Grouse Land & Resource Management Plan Amendments (Forest Service): Mr. Tibbitts reported that notice was just published in the Federal Register (October 5th) that the public Draft EIS for the Forest Service land use plan amendments was available to the public for a 90-day comment period. Since the Administrative Draft EIS was released to Cooperating Agencies on September 10th with a comment deadline of September 14th, the County opted to submit comments during the public comment period. The Forest Service has committed to elevating and addressing Cooperating Agency comments during this time.

Nevada & Northeastern California Greater Sage-Grouse Resource Management Plan Amendment (BLM): The BLM hopes to release their Final EIS by the end of the calendar year. Mr. Tibbitts noted that the BLM made many changes to their plan, based on the County's previous comments, before releasing the public Draft EIS. It will be interesting to see if comments on the second Administrative Draft EIS (submitted September 10th) are incorporated into the Final EIS.

CORRESPONDENCE

Correspondence was received from: Assistant Comptroller, Kim Todd; Sheriff-Elect Jesse Watts; Dale Bugenig; Natural Resources Advisory Commission; Recreation Board; Crescent Valley Town Advisory Board; Nevada Assoc. of Counties (2); Elko County; Esmeralda County; Kelly Brown, PLLC; Silver State Elevator Co.; invitation to Governor's Points of Light Awards; Allison MacKenzie Ltd.; Nevada Div. of Water Resources; Nevada Dept. of Taxation; Nevada Div. of Environmental Protection; Nevada Dept. of Transportation; US Dept. of the Interior-BLM (2); and US Forest Service (2).

PUBLIC COMMENT

Chairman Goicoechea opened the floor for public comments. Sheriff Keith Logan informed the Board that he conducted an inspection at the Mt. Hope Mine (General Moly) on October 4th as part of their public safety plan. He reported that their retention pond will hold approximately nine million gallons of water and is built in a manner that is not likely to breach.

ADJOURNMENT

Commissioner Sharkozy motioned to adjourn the meeting; Commissioner Etchegaray seconded the motion; the meeting was adjourned at 11:19 a.m.

Approved by vote of the Board this 18th day of October, 2018.

/s/ J.J. Goicoechea, DVM

J.J. Goicoechea, Chairman

I, Jackie Berg, Commissioner Clerk, attest that these are a true, correct, and duly approved minutes of the October 5th, 2018, meeting of the Board of Eureka County Commissioners.

/s/ Jackie Berg

Jackie Berg, Commissioner Clerk

I, Beverly Conley, Clerk & Treasurer of Eureka County, acknowledge and accept the attached minutes as approved by the Board of Eureka County Commissioners and attested to by the Commissioner Clerk.

/s/ Beverly Conley

Beverly Conley, Clerk & Treasurer