

**EUREKA COUNTY BOARD OF COMMISSIONERS**

**December 21, 2020**

STATE OF NEVADA        )  
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COUNTY OF EUREKA     )

**CALL TO ORDER**

The Board of Eureka County Commissioners met pursuant to law on December 21, 2020. Present were Chairman J.J. Goicoechea; Vice Chair Michael Sharkozy (via telephone); Commissioner Rich McKay; District Attorney Ted Beutel (via telephone); and Administrative Assistant Jackie Berg. The meeting was called to order at 9:30 a.m. and began with the Pledge of Allegiance.

The meeting was conducted telephonically pursuant to Governor Sisolak’s Declaration of Emergency Directive 006, which was extended by subsequent Directives through duration of the current State of Emergency. In-person attendance was limited; other County staff and members of the public were able to attend the meeting via a toll-free conference call number.

**APPROVAL OF AGENDA**

Chairman Goicoechea noted one change to the agenda – out-of-state travel for Search & Rescue will be for five (not four) members. Commissioner Sharkozy motioned to approve the agenda as amended; Commissioner McKay seconded the motion; motion carried 3-0.

**PUBLIC COMMENT**

Chairman Goicoechea opened the floor for public comments; there were none.

**APPROVAL OF MINUTES**

December 7, 2020: Commissioner Sharkozy motioned to approve minutes of the December 7, 2020, meeting; Commissioner McKay seconded the motion; motion carried 3-0.

**COMPTROLLER**

Payment of Expenditures: Expenditures were presented for approval by Comptroller Kim Todd. Commissioner Sharkozy motioned to approve expenditures in the amount of \$594,145.57 for accounts payable and \$221,195.93 for payroll related expenses (including employee paid deductions), for a grand total of \$815,341.50. Commissioner McKay seconded the motion. Motion carried 3-0.

Fund Balance Report: The Board reviewed the report on current fund balances.

**COMMISSIONERS**

Amended Lease: At a public hearing on December 7<sup>th</sup>, the Board approved a Tower Lease Agreement with Above All Communications dba Express Internet with one amendment – removal of the word “exclusive” from paragraph 10.

District Attorney Beutel explained that Above All Communications requested that further clarification (regarding scope of the non-exclusive nature of the lease) be provided in the agreement. Based on this request, language was added stating that the agreement grants AAC the exclusive right to use publicly available unlicensed channels, but does not prevent other entities from using FCC licensed channels or a proprietary non-public channel. IT staff worked with the District Attorney and confirmed there were no issues from an IT perspective and agreed that this arrangement works best for all parties and potentially affected parties.

Commissioner McKay motioned to approve the amended Tower Lease Agreement with Above All Communications dba Express Internet with clarification related to scope of the non-exclusive nature of the lease. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

NNRDA Resolution & Interlocal Cooperative Agreement: Northeastern Nevada Regional Development Authority asked its members to sign an updated resolution and agreement. The primary change is removal of Humboldt County, City of Winnemucca, Pershing County, and City of Lovelock from membership, as these counties and cities have decided to form a Regional Development Authority for their region.

Commissioner Sharkozy motioned to adopt a Resolution providing for an amended Interlocal Cooperative Agreement for continued membership with Northeastern Nevada Regional Development Authority. Commissioner McKay seconded the motion. Motion carried 3-0.

**RESOLUTION**

**A RESOLUTION FOR THE ADOPTION OF AN AMENDED INTERLOCAL COOPERATIVE AGREEMENT AND AUTHORIZING MEMBERSHIP THEREBY TO THE NORTHEASTERN NEVADA REGIONAL DEVELOPMENT AUTHORITY EUREKA COUNTY**

**WHEREAS**, the Northeastern Nevada Regional Development Authority exists for the purpose of promoting industrial development and positive social-economic growth in Elko, Eureka, Lander, and White Pine Counties and the Cities of Carlin, Elko, Ely, Wells and West Wendover.

**WHEREAS**, it is the desire of this County to maintain a cooperative working relationship for mutual economic and community development with Elko, Eureka, Humboldt, Lander, Pershing, and White Pine Counties, and the Cities of Carlin, Elko, Ely, Lovelock, Wells, West Wendover, and Winnemucca, as well as the State of Nevada and the Federal government; and

**WHEREAS**, given the general condition of the economy or the rural areas of Nevada, there is an urgent need for economic development and the general improvement of rural communities, and

**NOW, THEREFORE, BE IT RESOLVED** that the County does hereby set forth the Commissioners' intention to adopt changes as represented in the amended January 1, 2021 Interlocal Cooperative Agreement for member Counties and Cities of the Northeastern Nevada Regional Development Authority including the Cities of Carlin, Elko, Ely, Wells, and West Wendover, and the Counties of Elko, Eureka, Lander, and White Pine.

**AND BE IT FURTHER RESOLVED**, that this resolution shall be considered a counterpart of the Interlocal Cooperative Agreement and shall be deemed to be an original part thereof.

**PASSED and ADOPTED** this 21<sup>st</sup> day of December 2020, by the following vote:

AYES: 3 / NAYS: 0 / ABSENT: 0

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

ATTEST: /s/ Lisa Hoehne  
COUNTY CLERK

DATE: 12-21-20

APPROVED AS TO FORM AND LEGALITY  
THIS 21<sup>st</sup> DAY OF December, 2020

Sagebrush Ecosystem Program: The Sagebrush Ecosystem Council met recently and Chairman Goicoechea stated it was a productive meeting. The SEC continues to refine mitigation under the Conservation Credit System. He noted that any expansions or amendments planned by mining companies (any further disturbances) must comply with the Conservation Credit System regardless of previous agreements. But opportunities to obtain credits are expanding as private property owners work to develop credits on private land. Those credits can be purchased by mining companies to supplement or supplant mitigation on public lands.

## **AMBULANCE & EMS**

Report on Activities: EMS Director Kenny Sanders reported there were a total of 12 ambulance calls in November, six on the northern end of the County and six on the southern end. Of those, three were transferred to MedX AirOne, four were ground transported to hospitals, one was treated at the scene, and the others either refused or did not require emergency transport.

Mr. Sanders reported that the gurney power lift was installed in the ambulance and is working flawlessly.

Pickup: Mr. Sanders stated a new vehicle is needed to replace a high-mileage pickup that was a hand-me-down from the Sheriff's Office a few years earlier. This is a planned purchase and funds were included in the current year's budget. Mr. Sanders explained that the vehicle cost, utilizing a bid through Nevada State Purchasing, is \$35,545.25 and upfitting (lights, graphics, etc.) will be less than \$15,000.00.

Commissioner McKay motioned to authorize purchase of a  $\frac{3}{4}$ -ton crew cab pickup truck from Champion Chevrolet utilizing Nevada Purchasing Division Master Blanket Purchase Order 99SWC-NV19-2037, including upfitting with lights, graphics, etc., for a total not to exceed amount of \$50,000.00 utilizing funds budgeted for capital outlay (010-054-55010-000) in the Ambulance/EMS budget. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

## **SEARCH & RESCUE**

Out-of-State Travel: Arnold Pena, Southern Division SAR Commander, requested authorization for five Search & Rescue members to travel to Moab, Utah, January 13<sup>th</sup>-18<sup>th</sup> to participate in skills training. He explained that this training is being offered at a substantial discount due to COVID by Crackerjack Group, a reputable trainer.

Commissioner Sharkozy motioned to authorize out-of-state travel for six Search & Rescue members to attend training in Moab, Utah, January 13-18, 2021. Commissioner McKay seconded the motion. Motion carried 3-0.

## **SHERIFF**

Employee of the Quarter: Sheriff Jesse Watts recognized Undersheriff Tyler Thomas as Employee of the Quarter and the following as Employees of the Year in each division: Nicholas Collins for patrol, Andrew Uder for detentions, Clara Bundy for communications, and Maureen Garner for administration. The Board offered congratulations to the employees.

Hiring Freeze Waiver: The Sheriff requested authorization to fill an upcoming vacancy due to retirement of long-time employee, Sandra Eastwood. He noted that this will be a challenging position to fill because it is highly technical and the incumbent has a vast amount of experience and training.

Commissioner Sharkozy motioned to waive the hiring freeze and authorize the Sheriff to fill the position of Records/Technical Support due to a pending retirement. Commissioner McKay seconded the motion. Motion carried 3-0.

Integrated Telehealth Services: Sheriff Watts explained that Integrated Telehealth Services provides mental health services to inmates via telemedicine, and the contract will expire on the 6<sup>th</sup> of January. The only change proposed in the new contract is to extend the term from one year to 18 months because ITS now reports on a fiscal year basis.

Correspondence was received from the District Attorney advising the Board to adopt a standard form contract for independent contractors (based on the State of Nevada's contract), and the Board will consider this at its January 4<sup>th</sup> meeting. The Commissioners asked the Sheriff to forward a copy to Integrated Telehealth Services so the contract can be amended to the proposed new format, with approval tabled until the January 4<sup>th</sup> meeting.

## **EIDE BAILLY, LLP**

**Fiscal Year 2019-2020 Audits:** Teri Gage, Partner with Eide Bailly LLP, was in attendance to report on results of the Fiscal Year 2019-2020 audits for Eureka County and Eureka County Television District.

### **TELEVISION DISTRICT AUDIT**

It was noted that this portion of the meeting was originally planned as a joint meeting but, due to an internet outage, the Television District failed to post an agenda.

**Independent Auditor's Report:** Ms. Gage reported that the Television District received an unmodified opinion (clean audit), and its financial statements were presented fairly in all material aspects.

**Statement of Net Position:** The Television District has no employees and, therefore, does not have payroll, benefits, pension, or other post-employment liabilities. The Statement of Net Position showed the District's value in net assets was about \$1.2 million. Cash increased by \$21,000.00, and about \$1.2 million in capital assets were added in the fiscal year (fiber projects on Tank Hill and Prospect Peak). Calculating all gains and losses, net position increased by \$92,000.00 over the previous year.

**Statement of Revenues, Expenditures, & Changes in Fund Balance:** Television District revenues increased by \$14,000.00 primarily due to receipt of net proceeds tax. Grant funds were down from the previous year, and the District expended the remaining T-Mobile grant funds received in an earlier year.

Expenditures increased by \$46,000.00, with the majority spent for capital projects on Prospect Peak and Tank Hill. The Television District ended the year with an ending General Fund (its only fund) balance of \$769,625.00. Ms. Gage reminded everyone of the recommendation that an entity's fund balance never drop below 8.3% (a month's worth of expenditures), noting that the Television District ended the year with a 309% balance.

**NRS & NAC Compliance:** Ms. Gage reported that no statute violations were found while preparing the Television District audit.

**Preparation Findings:** Ms. Gage stated several journal entries were made, but were typical year-end adjustments. The only reportable finding was the necessity to engage Eide Bailly to prepare the financial statements in the detail required by general accounting practices.

**Accept Audit & Financial Statements:** The Television District Board accepted its audit and financial statements during its last meeting on December 18<sup>th</sup>.

Commissioner Sharkozy motioned to accept the Fiscal Year 2019-2020 Audit and Financial Statements of the Eureka County Television District; Commissioner McKay seconded the motion; motion carried 3-0.

## **EUREKA COUNTY AUDIT**

**Independent Auditor's Report:** The Independent Auditor's Report states that the auditors reviewed collective financial information in preparing the audit; and it explains management's responsibilities, auditor's responsibilities, and provides a conclusive opinion. Eureka County received an unmodified audit opinion, the highest attainable, which means the financial activities of the County were conducted in accordance with generally accepted accounting principles.

**Statement of Net Position:** The Statement of Net Position (assets minus liabilities) showed the County ended the fiscal year with \$129 million in net assets. At the end of FY2020, the County had \$9.6 million in net pension liability (based upon an actuarial evaluation) and \$7 million in OPEB

(other post-employment benefits) liability. Calculating all gains and losses, the County's net position of \$129 million was a \$6.7 million increase over the previous fiscal year.

Statement of Revenues, Expenditures, & Changes in Fund Balance: The County's cash value increased by \$8.3 million, attributable in part to an increase in net proceeds of minerals (~\$3 million) and an increase in investment earnings (\$425,000.00). Property taxes were \$1.7 million over budget. Fortunately, the tax reduction granted for the TS Power Plant was offset by the increase in net proceeds. The County ended the fiscal year with a \$37 million fund balance in the General Fund, approximately \$7 million more than the previous year.

The County spent \$3.1 million on capital assets, which included new equipment, vehicles, computer equipment, and network improvements. Substantial monies were spent on building demolition (Klindt Building) and a test well (Kobeh Valley).

Ms. Gage informed that the County's enterprise funds (water, sewer) continue to experience substantial net losses, with a cumulative loss of over \$1 million. This is primarily due to depreciation. The current water rates for Eureka, Crescent Valley, and Devil's Gate do not support the respective funds and Ms. Gage urged the Commissioners to be cognizant of this, suggesting they consider evaluating the utility rate structure.

Reiterating the recommendation that the operating fund balance never drop below 8.3%, Ms. Gage relayed that the County ended the fiscal year with a 323% balance in the General Fund.

NRS/NAC Compliance: Ms. Gage said only one potential statute violation was noted, but it was for something out of the County's control. The State Accident Indigent Fund was 'overspent' by \$35,000.00. This is a pass-through account for collected taxes, which the County redistributes to the State. The State determines revenue projections for this account and does not allow the County to budget a different amount. So, \$35,000.00 more than estimated was received and, in turn, allocated to the State.

Ms. Gage said she did not like noting this potential violation, because the affected indigent fund should be an agency fund (not subject to this type of violation) rather than a general government fund. The Department of Taxation has been asked in the past to reclassify this fund. Ms. Todd sent an email to the Department stating she disagrees with this finding and asking for future direction since this is a recurring issue.

Preparation Findings: The audit is required to report that the County does not prepare its own financial statements, but instead engages Eide Bailly. Ms. Gage relayed that this is a finding for nearly all of her clients, and an entity of Eureka County's size simply does not have the time or staff to prepare the financial statements in the detail required or to keep up with substantial changes in accounting standards each year.

Ms. Gage said the Schedule of Findings included journal entries representing typical year-end adjustments; it noted two larger transactions that were reclassified to different accounts; and it noted there was an internal control policy investigation related to potential misuse of credit cards, with no intentional policy violations found.

Accept Audit & Financial Statements: Commissioner Sharkozy motioned to accept the Fiscal Year 2019-2020 Audit and Financial Statements of Eureka County; Commissioner McKay seconded the motion; motion carried 3-0.

Engagement Letter: Commissioner Sharkozy motioned to approve the engagement letter from Eide Bailly, LLP, outlining services related to annual audits for fiscal years ending June 30<sup>th</sup> of 2021, 2022, and 2023. Commissioner McKay seconded the motion. Motion carried 3-0.

## **TREASURER**

Treasurer's Report: The Treasurer's Report for November was submitted by Treasurer Pernecia Johnson, showing an ending General Fund balance of \$34,632,244.49. Ms. Johnson informed the Board that she has reached out to her Investment Committee members to schedule a meeting in January to discuss a recent, but slight, downturn in interest.

## **HUMAN RESOURCES**

**Review Panel:** HR Director Heidi Whimple noted that recent staff changes, including employee retirements, make it necessary to update the list of employees eligible to serve on the Human Resources Review Panel. She approached eight employees about serving on the panel, informing them of the process and what would be required, and all agreed they are interested and willing to serve. Ms. Whimple felt the updated list represented in a diverse group of employees and she recommended approval.

Commissioner Sharkozy motioned to establish the list of employees, as presented, to serve on the Human Resources Review Panel for the disciplinary appeal process stated in Eureka County Personnel Policy 11.1.3 - DUE PROCESS. Commissioner McKay seconded the motion. Motion carried 3-0.

## **SENIOR CENTERS**

**Update Report:** Senior Centers Program Director, Millie Oram, provided a written report on activities at the Eureka Senior Center and Fannie Komp Senior Center. In November, Eureka served 933 meals and Crescent Valley served 936 meals. All meals continue to be home-delivered. A total of \$2,887.00 was deposited for the month.

**Nutrition Grants:** Commissioner Sharkozy motioned to ratify Notices of Subaward from Nevada Aging & Disability Services Division for Nutrition Grant #07-000-07-1H1-21 for congregate meals in the amount of \$15,720.00 with a County match of \$996.00, and Nutrition Grant #07-000-04-24-21 for home-delivered meals in the amount of \$16,994.25 with a County match of \$2,112.00. Commissioner McKay seconded the motion. Motion carried 3-0.

## **COUNTY FACILITIES**

**Facilities Update:** Joyce Jeppesen, Public Works Assistant Director-Administration, gave an update on activities at County managed facilities.

**Eureka Opera House:** In November, the Opera House had 48 tourists and 11 attendees at scheduled meetings. The only event scheduled in December is a Eureka Business Network meeting.

**Sentinel Museum:** The Museum had 64 visitors in November, approximately 50% of what is typically seen this time of year.

**Swimming Pool:** The Pool was closed for most of the month, so there were only 36 swimmers in November. It is currently open, but only for reservations to accommodate lap swimmers and water exercisers.

**Eureka Airport:** In November, the Airport sold 130 gallons of avgas. Staff and consultants are still working towards resumption of Jet A fuel sales.

**Eureka Landfill:** The Landfill had 521 (461 municipal, 60 commercial) customers in November, and received 135 tons of residential waste, 186 tons of construction and demolition waste, and 35 tires. The new baler and generator were delivered and will be set up as soon as the vendor removes the old baler. Metro Recyclers from Salt Lake City is currently cubing and loading metal at the Landfill and estimates this will be a three-week project. The other recycling companies contacted were not willing to come to Eureka.

Per the Board's inquiry, Ms. Jeppesen researched statistics at the Eureka Landfill to compare Landfill usage after the change in provider (to Olcese Waste Services) for waste pickup services in Eureka County. She reported the following:

EUREKA LANDFILL	2018	2019 <sub>Jan-July</sub> (pre-Olcese)	2019 <sub>Aug-Dec</sub> (post-Olcese)	2020 (to-date)
Annual Customers	3,322	2,065	1,763	4,682
Residential Waste	127.2 T	77.5 T	67.46 T	95.325 T
Commercial Loose	103.05 T	43.35 T	48.4 T	30.3 T
Commercial Compact	494.9 T	291.2 T	339.85 T	545.3 T

## **PUBLIC WORKS**

Public Works Update: Public Works Director Jeb Rowley reported on projects and activities.

Fiber/Network Projects: Public Works has installed underground conduit for the future fiber connection to the north tower on Tank Hill. Crews are installing additional power circuits at various locations in Diamond Valley to support future connectivity.

Equipment Deliveries: Some of the equipment purchased earlier in the year, with long-lead times, is starting to be delivered. A service truck will be delivered on December 22<sup>nd</sup>, and deliveries of equipment for the Landfill and Road Department are expected in January.

Emergency Management – COVID Vaccines: Mr. Rowley reported that tier one COVID vaccines were administered the previous week in Eureka, with over 20 vaccinations given. The vaccines were delivered to William Bee Ririe Hospital along with the hospital's vaccines, but this has created a reporting problem since the vaccines are identified as WBRH vaccines (not Eureka County vaccines). Mr. Rowley will work with Kenny Sanders to address this problem to ensure the State has the proper information to correctly assign booster vaccines.

Mr. Rowley further explained that vaccines given were Pfizer (requiring a booster) because that is what was available at that time. Once available, the County will try to obtain Moderna vaccines, which do not require a booster making them more suitable for rural populations.

Commissioner McKay commended Mr. Rowley on how well the vaccination process was facilitated.

Mr. Rowley relayed that Emergency Management will continue working to ensure that Eureka County receives vaccines as they become available, will progress in administering vaccines to the tiered priority groups in proper order, and will work to make vaccines available to the interested public at the earliest date possible.

Planning & Budget: Public Works has been working on the upcoming fiscal year budget. Staff is working to identify and prioritize future plans and projects, including calculating estimates to be used during the budget process.

## **NATURAL RESOURCES**

Report on Activities: Natural Resources Manager Jake Tibbitts reported on recent activities.

DV Basin Year-End Meeting: One December 16<sup>th</sup>, Nevada Division of Water Resources conducted a virtual year-end summary meeting for the Diamond Valley Hydrographic Basin. Accommodations were made at the Opera House for those wishing to attend in person, and there were three in-person attendees and 30-35 attendees via Zoom web conference.

Mr. Tibbitts had concerns because it was reported during the meeting that only one-third of water users were compliant with the meter order in Diamond Valley (State Engineer Order #1292). Mr. Tibbitts felt some may be under the false impression that the meter requirement was voided because the Groundwater Management Plan was overturned in the court process, but this is not true. The Division of Water Resources told people to expect a revised meter order shortly. This will provide further clarification on the meter requirement and will increase reporting frequency.

Fish Creek Wild Horse Gather: Mr. Tibbitts informed that the Fish Creek HMA Wild Horse Gather was scheduled to begin December 26<sup>th</sup>.

## **CORRESPONDENCE**

Correspondence was received from: Seventh Judicial District Court; District Attorney Ted Beutel (2); Sheriff's Office; Comptroller Kim Todd; HR Director Heidi Whimple; Consultant Abby Johnson; Recreation Board; Television District (3); Nevada Assoc. of Counties; Nevada Div. of Water Resources (2); Nevada Dept. of Transportation; Nevada Dept. of Health & Human Services; Nevada Div. of Environmental Protection; UNR Extension; UNR University Center for Economic Development; Nevada Tobacco Prevention Coalition (3); National Assoc. of Counties; County News Now newsletter; Cortez-Masto news release; US Dept. of the Interior-BLM (4); US Fish & Wildlife Service (re: Monarch butterfly); Office of the White House; and US Census 2020.

Commissioner Reports: Chairman Goicoechea encouraged citizens to complete the Nevada Economic Assessment Project (NEAP) survey forwarded by the University and now available on the Eureka County website ([www.co.eureka.nv.us](http://www.co.eureka.nv.us)).

The Chairman shared that Eureka County was able to obtain a limited number of rapid-result COVID tests, which are only to be used in a public health emergency.

### **PUBLIC COMMENT**

Chairman Goicoechea called for public comments; there were no comments from the public. The Chairman reminded everyone that the next meeting is on January 4<sup>th</sup> with a delayed start time.

Chairman Goicoechea commented that the community lost a good member last week with the passing of former County Commissioner Ken Benson, and he wanted the family to know that “*we are thinking of him... and them*”. He apologized for not opening the meeting with this, stating he was afraid he wouldn’t get through it. He described what a good friend Ken was, even though he could be obstinate! Chairman Goicoechea added he always knew where he stood with Ken and appreciated that; he valued Ken’s advice and the good insight he gave on issues over the years. The Chairman reiterated that thoughts are with the family - Patti, Craig & Katie and boys.

### **ADJOURNMENT**

The Commissioners concluded the meeting by wishing everyone a safe and Merry Christmas. Commissioner McKay motioned to adjourn the meeting; Commissioner Sharkozy seconded the motion; the meeting was adjourned at 11:26 a.m.

*Approved by vote of the Board this 4<sup>th</sup> day of January, 2021.*

/s/ J.J. Goicoechea, DVM  
J.J. Goicoechea, Chairman

*I, Jackie Berg, Commissioner Administrative Assistant, attest that these are a true, correct, and duly approved minutes of the December 21, 2020, meeting of the Board of Eureka County Commissioners.*

/s/ Jackie Berg  
Jackie Berg, Commissioner Administrative Asst.

*I, Lisa Hoehne, Clerk Recorder of Eureka County, acknowledge and accept the attached minutes as approved by the Board of Eureka County Commissioners and attested to by the Commissioner Administrative Assistant.*

/s/ Lisa Hoehne  
Lisa Hoehne, Clerk