



LINCOLN COUNTY BOARD OF COMMISSIONERS

October 7, 2013
Commission Chambers
Lincoln County Courthouse
181 Main Street
Pioche, Nevada

Commissioners

Paul Mathews
Kevin Phillips, Vice Chair
Adam Katschke
Paul Donohue
Ed Higbee, Chair

#1-CALL TO ORDER/ROLL CALL/INVOCATION/PLEDGE OF ALLEGIANCE

Chairman Ed Higbee called the meeting to order at 9:08 a.m. Clerk Lisa Lloyd called the roll.

PRESENT: ED HIGBEE
PAUL DONOHUE
ADAM KATSCHKE
KEVIN PHILLIPS
PAUL MATHEWS

LISA LLOYD, Clerk
DANIEL HOOGE, District Attorney

There is a quorum present and the agenda was posted on 10-2-13. The Invocation was offered by Paul M. and Adam led the Pledge of Allegiance.

#2-PUBLIC COMMENT

Ed called for public comment. None offered.

CONSENT AGENDA

- #3 Approve/Deny minutes of the September 16 meeting.
- #4 Approve/Deny landfill strike (prior year) in the amount of \$176.00 for Jerrell McGill because he is deceased with no property to attach.
- #5 Approve/Deny original and renewed business licenses according to staff recommendations (an itemized list of business licenses is available for public review in the Building Department prior to the meeting).

Paul M. made a motion to approve the consent agenda; seconded by Adam. All voted in favor.

#6-VOUCHERS

Recorder/Auditor Leslie Boucher presented the vouchers and cash balance report. General County has a balance of \$660,041.46 with estimated expenditures being \$207,994.42. General County will have a balance of \$452,047.04. Transportation has a cash balance of \$60,322.99 with estimated expenditures being \$6,143.54. Transportation will have a balance of \$54,179.45. Senior Nutrition has a balance of \$122,369.83 with estimated expenditures being \$10,919.29. Senior Nutrition will have a balance of \$111,450.54. Detention Center has a cash balance of \$348,681.54 with estimated expenditures being \$63,051.71. Detention Center will have a cash balance of \$285,629.83. Solid Waste has a cash balance of \$121,639.34 with expenditures of \$22,715.85. Solid Waste will have a balance of \$98,923.49. Solid Waste owes LC Water Special Projects, Fund 87, \$27,484.15. Airport has a balance of \$207.05 with estimated expenditures of \$909.43. Airport will have a negative balance of \$702.38. Funds will be taken from General County Miscellaneous to cover this deficit; Airport will reimburse this fund when the monies come in from BLM. A resolution authorizing medium term obligation was approved at the last meeting. The resolution was denied by Department of Taxation due to the fact that a 2/3 vote is required and public comment must be taken prior to the vote. Sheriff Kerry Lee advised that this might cost \$3,000-4,000 as he isn't certain that the vehicles will be held. This will cause us to have to purchase 2014 vehicles versus 2013. **Adam made a motion to approve the vouchers as presented with the exception of the LCTS, Mountain Merc, and Panaca Market vouchers; seconded by Paul D. All voted in favor. Adam made a motion to approve the Mountain Merc vouchers; seconded by Paul M. Kevin disclosed he is part owner of Mountain Merc and abstained from the vote. Motion carried. Kevin made**

a motion to approve the Panaca Market vouchers; seconded by Paul M. Adam disclosed that he is part owner of the market; he abstained from the discussion and the vote. Motion carried. Adam made a motion to approve the LCTS vouchers; seconded by Paul M. Paul D. disclosed that he is an employee of LCTS and abstained from the vote. Motion carried.

#7-OFFICER/DEPARTMENT HEAD REPORTS

DISTRICT ATTORNEY Daniel Hooge stated the Hardy Construction litigation continues. We should be set for trial near Thanksgiving. With the government shutdown no check was received from the Air Force; they've promised they have the funds set aside. There were a couple of minor changes but when the government is up and running again we will receive the funds. **ADMINISTRATIVE ASSISTANT** Denice Brown advised NDOT is doing a workshop on 11-13 at the BLM office in Caliente from 10 a.m. to 12 p.m. The copier used by the offices upstairs is on its last leg. Elaine Zimmerman has some grant funds that can cover a portion of it, but it'll cost \$5,000-6,000 each for Elaine and Denice to get a new one. This item will be on a future agenda for action. **GRANTS ADMINISTRATOR** Elaine Zimmerman advised that the government shutdown has caused several grants to come to a halt. Ken Dixon advised that the Planning Commission has a very full agenda for 10-10; they are busy. **ASSESSOR** Melanie McBride advised that she requested to have her advertising for part time help on the consent agenda but it was put on the regular agenda. **TREASURER** Shawn Frehner presented the monthly report; the original is in the Clerk's Office. Shawn presented the report from the Department of Taxation concerning comparisons for fiscal years. In July the sales and use was down greatly. There are quite a few entities that didn't submit their reports on time and this could be part of the reason those numbers are down. Shawn advised that the government class from the high school is having the kids attend public meetings.

#8-HIGHWAY COMMISSION

This item was handled under separate agenda.

#9-CALIENTE GAS TAX

This item concerns the propriety of sending gas tax proceeds to the City of Caliente. If funds are taken out of the Road Fund for gas tax it is illegal. The Board could approve funding through other fund such as ad valorem taxes or federal in lieu. Legally, we can pay the City but not out of the Road Fund. Mayor Stana Hurlbert asked that this item be tabled so the new council can get up to date on this issue. Treasurer Shawn Frehner presented information concerning the gas tax that we receive and the history of our payments to Caliente. Daniel issued a written opinion concerning whether or not it was legal for the Treasurer to pay the funds out of the Road Department; it isn't legal. Shawn has kept calculations of the amount of money that, if we would have continued on, would've been paid to Caliente. Through the June period, we would have paid \$44,581.52. The written legal opinion states that the funds can be paid to Caliente, but they can't be paid from the Road Fund. The monies can be paid from ad valorem or PILT. We receive money for a 175 tax, 125 tax, 235 tax with a county option, and a county \$.1. The county receives funds from all these categories. Caliente doesn't receive the 1.25 tax or the county option, but they do receive 2.35 tax. The Board can decide to still pay the portion they decided in the budget meetings to pay, but they'd have to find a different source. It isn't possible to move any of the Road Department funds around after they've gone into that fund. It's possible to catch the funds before they go into the Road Fund and divide them up at that point. Paul D. stated that the Board didn't ask Shawn to put that money in the Road Fund. The Board asked that Shawn pay it to Caliente. Paul D. said he was under the impression that when the funds come to the Treasurer's Office it's 232 money; this is the breaking point. Shawn responded that she doesn't create funds. Paul D. commented that, in the budget meeting, prior to any of the funds being sent to us from the state, the Board voted that this year the funds should be sent to Caliente. The Board didn't ask for the funds to be put in the Road Department and then take it back out. Shawn responded that the minutes from the budget meeting state *the county is to continue paying the amount if it's legal and a long term analysis needs to be completed*. No determination was made to set up the fund in any meetings. Paul D. advised the Board knows now that 232 funds can be used, prior to being put in Road Department Fund, to pay Caliente. Paul D. contended that the Board discussed this item and made a decision on it. Shawn responded that there is nothing in writing advising that the Board decided to set up that fund. For the last fifteen years the funds have been paid to Caliente after being put in the Road Fund. Once Daniel issued the opinion Shawn didn't want to pay these monies out of that fund because it's illegal. Paul D. was given to understand that the law wasn't being broken if the funds were paid out prior to being put in the Road Fund. Paul D. stated there is no money in the other funds to cover this expense. We are going to have to figure out how to intercept

the 232 funds and funnel them to Caliente, but Paul D. stated that he isn't certain that this is legal either. Paul D. has never felt he broke the law or intended to break the law in supporting the City. When the Board agreed to pay the \$100,000 to Caliente this year they discussed moving the funds from township to township each year after that so that all of the towns were benefiting. Paul M. stated that Caliente is unique in this situation. If the funds were being accumulated for the towns it would be legal. Adam has been working on a solution. The 235 funds are approximately 65% of what the Road Department receives. Adam suggested that between \$100,000-150,000 be separated prior to going into the Road Fund; it would be earmarked for different towns or the City. Adam would like to see these funds separated every year. Paul D. stated that the Board is forgetting about RTC; that's what these funds are for, to go to the towns. Adam commented that he doesn't feel that each town has enough. Dan McArthur had an issue with setting up the fund; this was never resolved. If a fund is going to be set up the Board will have to go back and resolve the issue. Dan wasn't certain that setting up the fund wasn't legal. Adam reiterated that the key is to improve the communities. Kevin agreed with Adam; funds need to be set aside and focused for capital improvements as Adam described. Daniel will speak with Dan McArthur concerning the setting up of a fund. Shawn advised that if the Board determines it's fine to set up the fund and they set it up, even if we put one full month's funding in it would be enough. Just this last month it was \$83,000. This would short the Road Department for that month but the funding is in the 235 fund monthly. Paul D. stated the only reason he supported this is because Caliente had completed their budget with the belief that the money was there. If the funding comes in, the Board can tell the road supervisor what important projects are in the towns; there is no need for "additional fingers in the pot". Once the funds go into 235 it can be used for curb and gutter. No action was taken and this item will be on the next agenda.

#10-LINCOLN COUNTY FIRE DISTRICT

This item was handled under separate agenda.

#11-GENETIC MARKER TESTING LAB

Kevin made a motion to designate Metro's crime lab as Lincoln County's lab of choice to conduct or oversee any genetic marker testing ordered pursuant to NRS 176.0913 and 176.0916; seconded by Paul M. Treasurer Shawn Frehner advised that there is money in this fund already that hasn't been sent off but it will be. **All voted in favor.**

#12-LINCOLN COUNTY TRANSPORTATION

Paul D. made a motion to approve the Nevada Department of Transportation's Zero Tolerance Drug and Alcohol Testing Policy for the LC Transportation program; seconded by Adam. All voted in favor.

#13-ASSESSOR'S OFFICE EMPLOYEE

Assessor Melanie McBride discussed the advertising and hiring of a part time employee for her office. **Paul D. made a motion to approve the advertising and hiring of a part time employee; seconded by Paul M.** Paul M. asked if Melanie is short handed. Yes. She is reappraising and the roll has to be closed by the 13th and she's behind. The department recommends strongly that two employees go out into the field. Melanie won't go out in the field alone due to liability and safety concerns. **All voted in favor.**

#14-EMERGENCY MANGEMENT

Paul D. made a motion to affirm that the Emergency Management Department insurance costs will be paid out of Fund 108; seconded by Adam. All voted in favor.

#15-COMMUNITY DEVELOPMENT BLOCK GRANT

Grants Administration Elaine Zimmerman made the formal announcement that the upcoming CDBG cycle is open. Presentations will be made at the next two Commission meetings. There was some discussion concerning updating the Needs Assessment. No action was taken.

#16-PANACA AIRPORT

Paul D. made a motion to approve and sign the Panaca Airport layout plan and scope of work for Armstrong Consultants, Inc., in the amount of \$79,407.00; seconded by Adam. All voted in favor.

#17-PANACA AIRPORT

Paul M. made a motion to designate Grant Match Fund for payment of the required match for the Panaca Airport layout plan update contract in the amount of \$4,963.00; seconded by Kevin. All voted in favor.

#18-RURAL COUNTIES RETIRED SENIOR VOLUNTEER PROGRAM (RSVP)

Grants Administrator Elaine Zimmerman received a request for a donation from the NV Rural Counties Retired Senior Volunteer Program. Elaine emailed a list of questions for how the funds will be used but she hasn't received answers. **Kevin made a motion to table this item; seconded by Paul M. All voted in favor.**

#19-GRANTS

Paul M. made a motion to approve and sign the Notification of Grant Award and Confidentiality Agreement for the LC Senior Services Home-Delivered Meals program in the amount of \$67,010.00 (the required match of \$9,214.00 will be paid from PILT Grant Match); seconded by Kevin. All voted in favor.

#20-GRANTS

Adam made a motion to approve and sign the Notification of Grant Award and Confidentiality Agreement for the LC Senior Services Congregate Meals program in the amount of \$30,000.00 (the required match of \$3,265 will be paid from PILT Grant Match); seconded by Kevin. All voted in favor.

#21-LC REGIONAL DEVELOPMENT AUTHORITY

Dave Luttrell is no longer able to be on this board. Keith Pearson, Steve Klomp, Bevan Lister, and Kyle Donohue have all expressed interest. LCRDA leans toward Kyle Donohue. **Kevin made a motion to appoint Kyle Donohue to the LC Regional Development Authority Board of Directors; seconded by Paul M. Paul D. abstained as Kyle is his son.** Paul M. asked who represents agriculture on this board and stated Bevan Lister would be the perfect candidate to represent that interest. Kevin commented that insufficient power is one of the main inhibitors for economic growth in this county. Paul M. asked if a position can be added for agriculture. Adam responded that he believes this is possible. There are some core positions required for this board and additional representatives can be chosen. Paul M. stated that both Kyle and Bevan would be beneficial to this board. **Paul M. moved to amend the motion to include Bevan Lister as well as Kyle Donohue; Kevin accepted the amendment and seconded. Motion carried.**

#22-AGREEMENT BETWEEN LC/ASHLEY HALL & ASSOCIATES

This item concerns a clarifying amendment to the consulting agreement between LC/Ashley Hall and Associates, Inc. (AHA) which clarifies that LC will pay AHA a consulting fee based upon the net amount of taxes apportioned to LC. Ashley addressed the Board and discussed the amendment, which is at the behest of the county. The amendment is for four years rather than in perpetuity. Kevin commended AHA for their hard work. The amendment is the result of a long discussion that the Board agreed upon. Kevin supported approval of the amendment. **Kevin made a motion to approve and accept the amendment to the agreement with AHA; seconded by Adam.** Daniel outlined how the funds will be divided. Anything that is not under the purview of this Board isn't included. Using a breakdown of ad valorem taxes provides a guideline for how the funds are divided. **All voted in favor.** Ashley advised they will be giving funds to girl/boy scouts, little league, and to the senior centers in LC. Recorder/Auditor Leslie Boucher asked how this will be paid. Each fund will pay its proportionate share. Leslie asked who will prepare the voucher to her office so that this can be paid. District Attorney's Office will prepare the voucher. The county will not pay AHA until the funds are received.

#23-TELEPHONE SYSTEM

This item concerns the review of the proposals received for a new telephone system in the courthouse and related administrative buildings as well as the awarding of a contract to a contractor with the best proposal. Tracy Lee presented this item. The committee was comprised of Sheriff Kerry Lee, Clerk Lisa Lloyd, Treasurer Shawn Frehner, Building/Planning Department Coordinator Cory Lytle, and Tracy Lee. Two proposals were received, iTech and Sentinel Technologies, Inc. The committee ranked the proposals. We have a confidentiality agreement that was part of the RFP; vendors had the option to participate and label their submissions confidential. Sentinel Technologies, Inc., labeled theirs confidential. Price can be discussed but details cannot. The Sheriff's Office handles an enormous amount of phone calls that are recorded. Recording phone calls in the courthouse will not be permitted. Changes to the RFP were made to compartmentalize phone

calls. We ran into issues with how we would handle the recording. There are solutions to these issues that are addressed in the RFPs of both vendors. Tracy presented the RFPs to the Board. iTech was \$48,914.25 and Sentinel \$80,310. Tracy advised that he will negotiate the call recording equipment contained in Sentinel's proposal; it will bring the prices in line with each other. The committee reached a consensus and recommends Sentinel. The overriding idea that came out of the committee's discussion is the simple fact that, after having read both proposals, the majority of the committee felt that Sentinel had more experience in deploying these kinds of systems. Tracy will propose to Sentinel that we be allowed to maintain our current recording system and that we will feed their system with POTS lines. These are items that will have to be negotiated. No action was taken on this item so that the Board may review the proposals.

#24-2014 TAX DEED AUCTION

Adam made a motion to approve the 2014 tax deed sale; seconded by Paul D. All voted in favor.

#25-HIGH SCHOOL SCHOLARSHIPS

This item concerns the creation of high school scholarships funded from the Western Elite Youth Grant Fund for the benefit of students at Lincoln County and Pahranaagat Valley High Schools. WE pays approximately \$2,000 a month to the county. There is no existing arrangement for the payment of the funds. Treasurer Shawn Frehner advised the Board not to do reoccurring scholarships but to take action every year based on the amount of funds in the account. Principal Marty Soderborg suggested that need, leadership, etc., be things considered for the scholarships. Adam suggested that the Board come up with an amount for this year for each school and leave some funding for future years. This would allow for two or three scholarships. Shawn suggested that the scholarship committee be the ones that select the recipients. There is \$15,934 in the fund at this time. **Paul M. made a motion to do two \$1,500 scholarships per high school and let the scholarship committee decide who receives them; seconded by Adam.** Dylan asked if the school is aware that these funds exist and he suggested that the funds be used for different school programs that affect 30-40 kids as opposed to 2-3. Marty suggested that he coordinate with the administrators to discuss other programs that could use the funds. Proposals could then be submitted to the Board for approval and use of this money. Elaine commented that the information was communicated to both schools concerning the funds last year. Shawn stated that it doesn't have to be a school function; this money can be used for things outside the schools like 4-H. **All voted in favor.**

#26-COUNTY INVESTMENTS

Treasurer Shawn Frehner presented information concerning the county's investments. Shawn did an analysis on our investments account and proffered the information to the Board. Wells Fargo CDs have had a bit of a loss. Our Mellon investments have had a .29 loss. .13% is the slight gain we've had with Mellon over the last fiscal year. Our investment portfolio manager, John F. Jemison was present and went over the "Wealth Management Review" dated 10-7-13. For every 1% increase in interest rates the principal value will fluctuate 2%. John expects the 10 year bond to be traded between 4-5%. The goal is to move the average duration of the portfolio out longer. Mellon would like to generate more income from this portfolio to help the county out with its cash flow needs. John is fairly pleased with the numbers Shawn presented. We've minimized losses in the short term; we are set to capitalize by going to longer term investments. No action was taken on this item.

#27-LC PERSONNEL POLICY

This item concerns changes to Chapter 2, 2.8-2.21, of the LC Personnel Policy and discussion of Chapter 3, 3.1 through 3.10. Cory Lytle discussed the credit card section. From his perspective to have certain departments and you have to try to come up with gas money out of pocket and then try to be reimbursed. Cory asked for the establishment of a motor pool or that the county work towards obtaining a gas card that all employees can use.

#28-COMMISSIONER REPORTS

COMMISSIONER PAUL MATHEWS met with Shannon Rayborne of Senator Reid's Office. Tri-County Weed has a meeting on 10-14; it's been several months in a row that they've had a hard time getting a quorum for a meeting. They are working towards a solution to get more people interested as it's been 4 months since they've been able to have a meeting. **COMMISSIONER KEVIN PHILLIPS** attended the NV Land Management Task Force in Winnemucca. **COMMISSIONER ED HIGBEE** attended the Energy Communities Alliance meeting in Kentucky with Adam. Ed attended the Civilian Military Council. **COMMISSIONER ADAM KATSCHKE** attended

the Energy Communities Alliance meeting with Ed in Kentucky. Adam met with Senator Reid's Office, Shannon Rayborne. Adam has received many complaints about the Caliente library; the man has been given an ultimatum that he'd better have it cleaned by this Thursday. Adam attended the Workforce Connections meetings as well as Local Elected Officials meetings. **COMMISSIONER PAUL DONOHUE** stated Pioche Town Board held a special meeting to discuss the recent flooding. Sunrise Engineering was represented at the meeting as was the Board of Commissioners. Sunrise's view is, rather than have all of the towns submit individually to CDBG, the county should submit a county-wide plan. Paul D. will attend training concerning advanced negotiations later this week; Kevin will go with him. Paul D. will be in Louisiana and the 27th-31st. The Governor has a technology committee; they've hired people to see where the state is as far as broadband technology. They rank the counties and issue different certificates. The only two counties that passed were Washoe and Clark. The only thing that stops LC from passing is that they say we only cover 97.46% of our people with internet and you have to have 98%.

#29-PUBLIC COMMENT

Ed called for public comment. Cory Lytle stated they're taking another approach to the roads layer for the GIS 911 things. The issues stem back to the addressing system but Cory is working them out. Cory stated they want to be conscientious in what is decided for people parceling out. Cory advised that there are serious changes coming as far as codes and manufactured homes. These changes relate to HUD requirements. Lenders and title companies are making it difficult for people to borrow money to purchase manufactured homes. Cory is reexamining the capital improvement plan.

#30-ADJOURN

There being no further business for the Board to attend to, Ed adjourned the meeting at 3:12 p.m.

Attest: _____ Approve: _____

