

NEVADA ASSOCIATION OF COUNTIES (NACO)

Board of Directors' Meeting

August 24, 2018, 9:30 a.m.

NACO Office

304 S. Minnesota Street

Carson City, NV 89703

Adopted Minutes

Attendance: President Weekly, President-Elect Waits, Vice President French, Mineral County Commissioner Tipton, Douglas County Commissioner Thaler, Lincoln County Commissioner Higbee, Carson City Mayor Crowell, Nye County Commissioner Wichman, Washoe County Commissioner Hartung, Churchill County Commissioner Olsen, Elko County Commissioner Steninger, Lyon County Commissioner Hunewill, Western Interstate Region Representative-Elko County Commissioner Dahl.

Remote Attendance: Clark County Commissioner Kirkpatrick, Esmeralda County Commissioner Bates, Eureka County Commissioner Goicoechea and Nancy Parent, Nevada Association of Clerks & Election Officials.

Other Attendance: Nye County Manager Sutton, Nye County Public Information Officer Knightly, Washoe County Manager John Slaughter, Churchill County Manager Barbee, Lyon County Commissioner Ken Grey, Storey County Planning Manager Austin Osborne; Tom Collins, NACO Committee of the Emeritus; Lee Bonner and Doug Miller, NDOT; Dr. Ivory Lyles, University of Nevada-Cooperative Extension; Sandra Morgan and Dan Jacobsen, AT&T; Linda Bissett, NV Energy; Marta Jensen and Shannon Liss, NV Department of Health & Human Services; Mike Wilden, Chief of Staff Nevada Governor Brian Sandoval; Chris Pritsos, University of Nevada-College of Biotechnology and Natural Resources; and Mary Walker, Lobbyist.

The meeting was called to order at 9:31 a.m.

1. **Public Comment.** None was given.
2. **Approval of Agenda.** The agenda was approved on a motion by Commissioner Tipton with second by Commissioner Higbee.
3. **NACO President's Report.** President Weekly recognized the birthdays of Commissioners Higbee, Phillips and Stork. He thanked those that traveled to the National Association of Counties (NACO) Annual Conference in Nashville and thanked them for their assistance in promoting the 2019 NACO Annual Conference to be held in Clark County. He thanked staff for preparing the previous evenings BBQ and apologized for not being able to attend as he had started a Doctoral program.
4. **NACO Executive Director's Report.** Dagny informed the Board that agenda item number 11 would be heard time certain at 10:00a.m. She discussed NACO's High Performance Leadership program, an online training program for county staff in management positions. She addressed the election of the Association's Vice President and requested that any Commissioners interested in being considered by the nominating committee should submit a letter of interest to her prior to September 15th. Dagny informed the Board that the State received a grant for opioid preparedness and would be accepting proposals from counties to receive sub-grant awards to prepare opioid overdose preparedness plans. She referenced a link in the agenda packet. She informed the Board that a member of the Legislature had reached out regarding SJR14, which seeks to address property tax reform. The request to NACO was for counties to contribute a total of \$5,000.00 to assist in the cost of conducting a study to determine what the potential impacts to state, local governments and residents would be. She informed the Board that there are funds available in the Special Studies line item of the NACO budget. Dagny concluded her report by introducing the Association's new Natural Resources Manager, Sandy Hoover.

5. **Approval of Minutes of the June 22, 2018 NACO Board of Directors Meeting.** The minutes were approved on a motion by Commissioner Tipton with second by Commissioner Hartung.
6. **Approval of NACO's June 2018 Financial Statements and Investment Reports.** Dagny noted that she had been working with the Association's Fiscal Office, Alan Kalt, to rework the financial reports to more closely mirror the Association's budget. She also noted that the income statement now includes the budgeted amount as well as the amount spent to date. The financial statements were approved on a motion by Commissioner Tipton with second by President Elect Waits.
7. **Recap of the 2018 National Association of Counties (NACo) Conference and Attendance by Nevada County Commissioners.** Board members in attendance concurred that it was a good conference with great value and subject matter. They also echoed the appreciation expressed by President Weekly regarding the promotion of the 2019 NACo conference in Clark County and strongly encouraged all Commissioners to attend the conference in the future.
8. **Update on the 2019 National Association of Counties Conference in Clark County including Possible Approval of a Fundraising Letter from NACO.** Dagny informed the Board that Clark County had requested a fundraising letter to support their efforts in obtaining sponsorships for the event. She referenced a letter, included in the agenda packet, that was used by Washoe County in a previous year and suggested that, if the Board approved sending a letter, that could be used as the template. Commissioner Steninger inquired as to the amount needed and President Weekly informed the Board that they are required to raise \$500,000 for the event and that Clark County has committed to half of that amount. Commissioner Tipton stated that she didn't have an issue with providing a letter and that the host county isn't the only county that benefits from the event. President Elect Waits noted that it would not be as expensive to attend the conference next year and echoed the benefit to surrounding counties. Vice President French also noted that while Nevada may be considered a small state and somewhat insignificant on a national stage, Nevada is a significant presence in NACo and its members look to us for input. President Weekly acknowledged the work of Commissioner Kirkpatrick and county staff for their hard work on the event. Commissioner Hartung inquired whether there had been funds from the state tourism department committed and requested that staff keep the item on the agenda. A letter from the Association was approved on a motion by Commissioner Tipton with second by Commissioner Hartung.
9. **NACO Annual Conference Update Including Discussion on Date and Location of the 2019 Annual Conference.** Dagny informed the Board that early bird registration had been extended and that staff continued to work on the educational panels and requested that any Commissioner that had an idea for specific topics to reach out to staff. She reminded the Board that the 2019 conference would be discussed in September, including possible changes to the conference due to the National Association's conference. Commissioner Thaler encouraged the Board to ensure that they can attend the President's reception at the conference in November and President Weekly encouraged everyone to participate in his theme for the evening of denim and boots. Commissioner Olsen also noted that Churchill County would be interested in hosting in 2019.
10. **Update on the University of Nevada Cooperative Extension Program (UNCE), including Discussion of the Proposed Supplemental Budget Request for a \$4.7million Enhancement for UNCE.** Director Lyles thanked the Board for the partnership between the University and the Board over the past 18 months while he determined the needs of the State and the individual counties. Mr. Lyles referenced the document included in the agenda packet and reviewed the majority of the items included therein including: that UNCE received no findings on the audit of the program presented to the Regents in July, that an agreement was reached regarding the budget surplus in Clark County, potential improvements to the 4-H facilities in Lake Tahoe, seeking partnerships for baseline socioeconomic data collection, the importance of NSHE's budget enhancement request for UNCE. Mr. Lyles gave additional background on 2009 budget cuts and the need for the budget enhancement to stabilize many important statewide programs. He also discussed the UNCE Advisory Council and a meeting of the Council to be held in late August. President Elect Waits inquired as to the make up of the Council and Dr. Lyles noted that it is made up of 21 members from various counties and additional stakeholders and that there are no UNCE staff members on the Council. Dagny informed the Board that the NACO working group had met with the Chancellor and that the conversation was positive. It was noted that President Weekly had spoke in favor of the budget enhancement before the Board of

Regents and that, while it is unknown if the enhancement will be approved by Governor or the Legislature, the University will continue to advocate for the funding. No action was taken.

11. **Discussion of FY 20-21 State Budget Priorities for Counties and the FY19 Proposal to Amend the Current State Budget to Increase the Assessment to Counties for the Non-Federal Medicaid Match.** President Weekly introduced the Governor's Chief of Staff Mike Wilden. Dagny informed the Board that a letter had been received from the Medicaid division of DHHS regarding a proposed increase to the county Medicaid match and gave an overview of the history of the issue. She noted that a bill was enacted in 2011 that allowed DHHS to change at will the population segment for which counties were responsible, and that that segment had been subsequently increased. She addressed the documents included in the agenda packet and made note that the increase requested is for the current fiscal year and would have to come from the counties' currently adopted budgets. She noted that the proposal would need legislative approval and would be brought to the Interim Finance Committee in October. She also noted that rural counties are capped at \$0.08 of assessed value, and that those counties that are at that cap would not see an increase in their assessment. Mr. Wilden also addressed the history of the assessments, noting that the counties and the state have been partners in program since the 80's and that the program has been growing since the State opted into the expansion program included in the ACA. He informed the Board of some of the struggles experienced by the State and that there is an estimated \$20-50 million shortfall for the current fiscal year. He noted that the State has been working on several different scenarios to address the shortfall and that the request is for counties to contribute an additional \$6-9 million. Mr. Wilden also noted that there are several components of the FY20-21 proposed budget that the Governor's office would like to discuss with the counties, with hopes that the forecast received by the Economic Forum is positive. Commissioner Hartung referenced a recent comment by the Governor that the State has one billion dollars 'in the bank' and/or the use of marijuana tax funds. Mr. Wilden clarified that the billion dollars the Governor referenced is in the Unemployment Trust Fund. He also clarified that there is \$200 Million in the 'rainy day fund' but that those funds can only be accessed by the Legislature or during a severe economic downturn. Mr. Wilden also referenced the marijuana funds and what had occurred during the 2017 legislative session and that it is fully expected the use of the marijuana funds will be changed during the upcoming legislative session. It was noted that county revenues are flat and that counties would have to cut services in other areas to accommodate the request. Commissioner Kirkpatrick inquired as to when the assessments would be due, and if the IFC would be able to float a portion of the deficit so that the issue could be brought up in the next Legislative Session instead - as this would give time for the counties and the state to work together to find a long-term solution. Mr. Wilden stated that there is not enough money in the State contingency fund to correct the issue and a supplemental appropriation would need to be done in the legislature. Commissioner Kirkpatrick suggested that the shortfall be funded through a supplemental request at the beginning of the next Legislative Session. Many members of the Board echoed each other when they discussed the inability to come up with the requested funds in their current budgets due to flat revenues; as well as the inability to cut services that are mandated and already stressed to the maximum. The ability to opt out of the program was also discussed and Mr. Wilden noted that if the counties opt out, the State would then be forced to opt out as well, leaving counties responsible for indigent medical costs. Commissioner Olsen inquired as to when the State knew about the situation, especially when there were issues in the closed FY18 budget and how it occurred. Mr. Wilden said that it became evident during fiscal analysis during April and May but that estimated actuals had only been known for three to four weeks. He also stated that there were some inappropriate billing issues and fraud that the State is addressing. Dagny inquired as to any other changes to assessments to be aware of. Mr. Wilden suggested that an overall discussion on county assessments was perhaps in order and indicated he was willing to have that including regarding: Medicaid match, IGT, IAF, UPL, youth alternative placement and youth parole. Mr. Wilden also noted that the Governor's office will work with the counties and NACO staff during preparation for the transition to a new Governor. Commissioner Hartung brought up Yucca Mountain in relation to funding for the State budget. No action was taken.
12. **Update on Interim Legislative Activities and County Priorities for the 2019 Nevada Legislative Session Including Approval of NACO Bill Draft Requests.** Dagny reminded the Board that the Association's Legislative Committee had been meeting monthly and that Bill Draft Requests (BDRs) are due on September 1st. She informed the Board that the Committee had identified five BDR ideas for consideration with an additional two to be discussed for possible introduction by Legislators. Vince discussed the first three potential BDRs: 1) enabling the use of 911 fees collected to be used to

conduct audits. This would ensure that counties are receiving all the fees they are entitled to; 2) enabling Boards of County Commissioners in counties with very small districts (ie: GID's, TV, water) who are unable to conduct business due to lack of a quorum and interest in filling the seats to appoint members; 3) and the resurrection of a bill from the previous session to enable counties to enact a diesel fuel tax of up to five cents. Dagny discussed the 4th proposal which was in relation to Clark County's experience after the 1 October tragedy related to the collection and distribution of monies for victims and the need for counties to obtain 501c3 status. The proposed BDR would enable a county to create a 501c3 in times of emergency to assist victims and residents. The final NACO BDR proposal would change the State's primary election system to return to pre-2015 law, so that, in races with candidates from only one party, the top two vote getters would move on to the general. The two additional proposals, which the Committee suggested finding sponsors for were: to allow public snow plow vehicles the right of way; and 2) to enable counties under 100,000 in population to abolish the position of Public Administrator as an elected office if the county continued to provide the service. Commissioner Wichman noted that the current primary rules exclude large segments of the population and disenfranchise voters. With regards to the diesel tax it was clarified that it is not indexing, and Mayor Crowell noted a bill being brought by the City of Fernley that could result in conflict by proposing that all cities be allowed to raise a 5-cent diesel tax. Commissioner Tipton inquired whether there were Legislators willing to carry the last two suggestions and Dagny said that although they have ideas on who they may approach, staff needs Board approval to move forward. The Board approved all 5 BDRs to be introduced by the Association and to seek legislative support for the other two on a motion by Commissioner Tipton with second by Commissioner Wichman.

13. **Update and Discussion Regarding Legislation Preempting Some Local Government Authority to Regulate and Permit the Construction of Small Cell Technology.** Dagny informed the Board that the issue is being discussed across the country and that there is a bill that has been introduced in Congress regarding the issue. Dagny provided background on the item informing the Board that the technology is specific to 5G cellular and wireless use. She noted that there is a need for the technology to expand in urban areas due to existing infrastructure being at or near capacity. She informed the Board that the technology consists of boxes that are placed on power poles etc., however they must be placed within 500' of each other and will therefore require multiple devices in dense areas, unlike current cell towers. She discussed the bill in Congress (SB3157) which would limit local government permitting fees, cap fees for rights-of-way, limit the amount of time to respond for requests to install the infrastructure on county property and allow for automatic installation if a response is not given within the allotted time. NACo has opposed the bill and has requested that counties contact their delegations with concern. Dagny noted that the industry has requested fair and reasonable permitting fees and timelines. She also informed the Board that bills have been introduced in some states that would preempt local government authority to permit the infrastructure entirely. Concerns raised by local government include the need for jurisdictions to be able to address safety concerns as well as visual impacts. She also noted that within the states where legislation has been introduced to preempt local government authority some states have been able to reach compromises with the industry. It was noted that there is not currently a bill in the Nevada Legislature to preempt local government authority but that there are conversations taking place regarding the issue. Dagny also stressed that it is an immediate concern in the urban areas but that it will become an issue in rural areas as well. Mayor Crowell noted that it is important to address the issue and work towards reaching a compromise that protects local government interests. Commissioner Thaler informed the Board that he had seen the boxes and that while they are relatively small the density required could become intrusive because each provider needs their own box. President Weekly expressed concern with installation on private property. Dagny noted that one of the main discussions is surrounding safety and visual impact and that it is an issue at the forefront of discussion among her fellow Executive Directors. Commissioner Hartung expressed concern with interference of other frequencies such as those used by EMS. Dan Jacobsen from AT&T informed the Board that if interference became an issue it would be the industry's responsibility to rectify the problem. Storey County's Austin Osborne expressed concern with high tourist populations making small communities high density areas and potential requests for installation of the infrastructure in historic districts and on protected buildings. Staff was directed to continue working on the issue on a motion by Commissioner Tipton with second by Commissioner Hartung.

14. **Discussion Regarding August 7th, 2018 Correspondence from Nevada State Senator Joyce Woodhouse and the Committee to Study the Needs Related to the Behavioral and Cognitive**

Care of Older Persons Encouraging Nevada’s Counties to Expand the Role of their EMS Services to Include Community Paramedicine Services. Dagny referenced the letter included in the agenda packet from Senator Woodhouse and the Committee, which asked the Association to encourage counties to expand EMS services to include paramedicine. She noted that the proposed services would utilize EMT’s to bring a basic level of service to patients where they live, and would include things like wellness checks, prescription assistance and help with transportation. Dagny noted that Medicaid does reimburse for the services but that there are additional certifications required. She informed the Board that the Committee made around 50 recommendations and the letter was one of them as a best practice. Commissioner Hartung noted that Washoe County provides the services but cautioned that the service has become an issue in union contract negotiations. President Elect Waits informed the Board that Lander County has looked at the service, with help from State EMS, and that it would be an excellent service in very rural areas. Commissioner Wichman noted that Northern Nye County has had great success with REMSA and being able to provide the service. Dagny informed the Board that she had researched the item when the letter was received and that a few of the rural hospitals have received grants to provide the service. No action was taken on the item.

15. Update and Possible Action Regarding Natural Resources and Public Lands and Issues Affecting Counties Including:

- a. **Discussion of Proposed Reforms to Payment in Lieu of Taxes (PILT), Commissioner Jim French, NACO Public Lands and Natural Resources Subcommittee Vice Chair.** Vice President French referenced previous Board discussion regarding the current formula for PILT payments being skewed away from rural counties by population cap. He referenced that the responsibility to provide services remains the same to counties of smaller populations but that they are provided disproportionate funds to provide them. Vice President French informed the Board that WIR and the NACo Public Lands Steering Committee were working on a more equitable distribution formula. He informed the Board that a Montana Congressional Representative has a bill that will be introduced in September that will address the SRS offset to PILT payments for those counties that have both, potentially placing the SRS lands into PILT if SRS is not reauthorized which could cause a reduction in the amount of PILT money available to counties. He noted that with the recent multiyear reauthorization of SRS there is opportunity to attempt to create a trust fund for SRS to stabilize the funding of the program, thereby creating stability in PILT funding. He informed the Board that the proposed trust fund could be created by increased timber sales. Within that conversation is potential adjustment of the population cap in the PILT distribution formula and the need for PILT to be a permanent line item in the budget and have a reliable funding mechanism. The formula adjustment proposal would remove the small population penalty from the distribution formula and allow a distribution base solely on square miles. With regards to the stabilization of the fund, the discussion includes reauthorization of the Land and Water Conservation Fund and to provide for a large pool of funds collected within the Fund to be allocated to PILT. Dagny inquired as to the Board’s appetite to support the proposed formula change, whether it could impact payments to the larger population counties. Vice President French noted that the creation of a trust fund would potentially negate the cap of yearly funding of the program and therefore not affect the large population counties payments. President Weekly noted that it would depend on the final language within the bill. Staff was directed to use its discretion regarding support of the bill dependent on the bill language and considering the lengthy discussions by the Board on the issue on a motion by Commissioner Tipton with second by Commissioner Wichman.
- b. **Discussion of the National Association of Counties (NACo) PILT Fly-In Event in Washington D.C. and Possible Approval of NACO Funds to Support the Attendance of One Representative from Nevada.** Vice President French reminded the Board that he attended the event the previous year as a guest of NACo, but that WIR funding for the event is allocated to other states this year. Despite that he had again been invited to attend but would be willing to defer to another member of the Board if they preferred. Dagny informed the Board that she had reviewed the budget and there are funds available to support Vice President French’s travel costs. The NACO Bylaws allow for approval of additional travel funds on a case by case basis. Vice President French was nominated to attend, with funding

assistance from NACO, on a motion by Commissioner Hartung with second by Commissioner Wichman.

- c. **Update on the BLM and USFS Greater Sage Grouse Resource Management Plan Amendments.** Dagny informed the Board that comments had been submitted on the BLM's DEIS at the end of July, that scoping comments had been also submitted to the Forest Service and that work will continue to on the issue. Sandy informed the Board that the BLM is going through the comments and expect to have a draft FEIS to cooperators by mid-September, it's release to the public will be by October 12th that that will then initiate a 30-day protest period, then the 60 day Governor's consistency review period, and that the ROD will be expected at the end of December. She also reminded the Board that there was a cooperator's meeting the following week at the BLM's offices in Sparks.
- d. **Discussion of Possible NACO Comments on Proposed Revisions to the Regulations that Implement Portions of the Endangered Species Act (ESA).** Sandy informed the Board that the U.S. Fish and Wildlife Service and National Marine Fisheries Service have proposed reform to the Endangered Species Act of 1973, as amended under three rule revisions. Recommendations from the PL&NR Committee request support from the Board on the following:
- the first would allow for economic information to be presented in any listing decisions. Also, although it is beyond the scope of the Services' proposed rules, the PL&NR committee also supports a policy in which the review and consideration of economic information be required in any listing decisions.
 - the second item would eliminate the current application of prohibitions for endangered species to threatened species as described in subsections 17.31 and 17.71 of Title 50 and would make protections for threatened species based on species specific rules.
 - the third item would expedite the consultation process for actions that result in minimal adverse effects to listed species.

Commissioner Tipton noted that currently the agency does not have to look at economic data and that the Committee's recommendation is that the data must be included with all scientific data prior to a listing decision. Vice President French noted that the data would be included in the justification, which would require the agency to prove that the threat to the species outweighs the economic impacts to the communities in question. Commissioner Steninger suggested the inclusion of historical population information within the data included in the justifications. Vice President French clarified that is already a component of justification and that is a place for challenge if it is not included in the agency justification as it is already required under statute. Dagny stated that issue can be made a policy of the PL&NR Committee. Commissioner Hartung brought up that removal of predators should be included in a listing decision. Commissioner Higbee noted that predation is not being actively considered. Comments as discussed were approved on a motion by Commissioner Tipton with second by Commissioner Olsen.

- e. **Update on NACO Comments to the Council on Environmental Quality's Advance Notice of Proposed Rulemaking (ANPRM) Regarding Update to the Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act (NEPA).** Sandy informed the Board that comments had been submitted based on the PL&NR Action plan and the comments provided on the BLM's Planning 2.0 and reminded the Board that they were included in the agenda packet.
- f. **NACO Public Lands and Natural Resources Committee Update.** Commissioner Tipton informed the Board that the Committee had discussed the potential to create one cohesive statewide lands bill for Nevada counties, but that it would be discussed at a future meeting. Vice President French gave an update on the BLM Wild Horse & Burro Advisory Board which had not been disbanded but had been effectively "neutered" due to lack of a quorum; however, the members in question had been reappointed and there would be a meeting in September. He discussed that the BLM's report to Congress did not include all of the

recommendations of the Board, which proved that the agency could not meet its obligation under the law under current policy. He informed the Board that the report was not sent to the Advisory Board in a timely manner for review prior to submission. He informed the Board that the BLM has instituted an aggressive gather plan that includes implementation of a stipend for adoption immediately and that gives title at the time of adoption not after several years. Commissioner Tipton concluded the update with the importance of inclusion and/or updating of specific county natural resources plans within county master plans. Commissioner Wichman noted that SLUPAC will assist in development of those plans.

16. **NACO Committee of the Emeritus Update.** Vince informed the Board that the July workshop on the importance of county natural resource plans was very well attended and that the presentations of all four of the expert presenters as well as a video of the workshop could be found on the NACO website. He also informed the Board that the Committee is continuing the update of the materials and program for the newly elected officials training to be conducted by the Committee at the November conference.
17. **National Association of Counties and Western Interstate Region Board Member Updates.** Vice President French informed the Board that conversations at WIR include wildfire reduction and remediation including livestock grazing for targeted fuel reductions as well as ESA reforms and specific aspects that provide opportunities for change without having to go to Congress for approval. Commissioner Dahl referenced the update given earlier in the meeting on PILT by Vice President French and stressed the need to embrace change to assist fellow counties with challenging situations. Commissioner Tipton encouraged the Board to encourage staff to enroll in the NACo leadership training reminding the Board that NACo will provide a partial scholarship for a county's first enrollee. She also informed the Board that the WIR winter meeting would be held in the Phoenix area and concluded her remarks with the success of the NACo Annual Conference.
18. **NACO Board Member Updates.** Updates were given by members of the Board on various activities in their counties.
19. **Public Comment.** None was given.

The meeting was adjourned at 1:40 p.m.