

NEVADA ASSOCIATION OF COUNTIES (NACO)

Board of Directors' Meeting
January 19th, 2018, 9:30 a.m.

ADOPTED MINUTES

ATTENDANCE: President Phillips, President Elect Weekly, Vice President Waits, Past President Wichman, Humboldt County Commissioner French, Mineral County Commissioner Tipton, Clark County Commissioner Kirkpatrick, Elko County Commissioner Dahl, Lincoln County Commissioner Higbee, Lyon County Commissioner Hunewill, Carson City Mayor Crowell, Storey County Commissioner McGuffey, Douglas County Commissioner Thaler, Esmeralda County Commissioner Bates, Elko County Commissioner Steninger, Churchill County Commissioner Olsen; and Edrie LaVoie, Nevada Association of Human Services Administrators.

REMOTE ATTENDANCE: Churchill County Manager, Eleanor Lockwood; Erin Dickinson, Crueger Dickinson; and Nancy Parent, Nevada Association of Clerks and Election Officials

OTHER ATTENDANCE: Robert Eglet, Richard Hi, Brenden Laux, and Robert Adams, Eglet Prince; Churchill County DA, Ben Shawcraft; Lee Bonner, NDOT; Clark County Commissioner, Chris Giunchigliani; Lyon County Manager, Jeff Page; Washoe County Commissioner, Jeanne Herman; Washoe County Manager, John Slaughter; Clark County Assistant Manager, Kevin Schiller; and former NACO Executive Director, Jeff Fontaine.

The Meeting was called to order by President Phillips at 9:30AM

1. **Public Comment.** None was given.
2. **Approval of Agenda.** The agenda was approved on a motion by Commissioner Tipton with second by Past President Wichman.
3. **Investiture of the 2018 NACO Officers.** Clark County Commissioner, Lawrence Weekly was installed as President; Lander County Commissioner, Patsy Waits was installed as President Elect; Humboldt County Commissioner, Jim French was installed as Vice President and Lincoln County Commissioner; Kevin Phillips assumed the office of Immediate Past President. Past President Phillips administered the oath of office for each of the new officers.
4. **NACO President's Report.** President Weekly thanked the Board for their support and discussed his goals to continue to work more closely as a State and to continue to help each other through both common and more regionally affected issues through the sharing of information and resources. He thanked Past President Phillips for his leadership and recognized the new members of the Board. President Weekly concluded his remarks with the reminder that the April meeting will be held in Clark County and requested that the members let staff know if they plan to attend the meeting in person in order to plan accordingly.
5. **NACO Executive Director's Report.** Dagny reminded the Board that the Committee of the Emeritus would be conducting their second workshop of the interim on February 2nd regarding county tax revenues. She announced that the Department of Business and Industry would be hosting a workshop on financing available to counties on February 16th. She informed the Board that there would be a Block Chain conference regarding crypto-currency in Reno and that there may be applications for use of the technology for counties. Dagny concluded her remarks with the announcement that Vinson Gurthreau had been hired as the Deputy Director and would start on January 29th. She noted that Vinson had previously worked for the Association and had also worked for the State and in other capacities related to local government.

6. **Approval of Minutes of the December 15th, 2017 NACO Board of Directors Meeting.** The minutes were approved on a motion by Past President Phillips with second by Commissioner Tipton.
7. **Approval of NACO's 2018 Associate Members.** NACO's 2018 roster of Associate Members was approved on a motion by Commissioner Tipton with second by Commissioner Wichman.
8. **Approval of the Appointment of NACO Executive Director Dagny Stapleton to the University of Nevada Cooperative Extension Advisory Council.** Dagny was appointed to the represent the Association on the Council on a motion by Commissioner Wichman with second by Commissioners Tipton and Bates.
9. **Approval of NACO Resolution 18-01 Recognizing January as National Radon Action Month.** The Resolution was approved on a motion by Commissioner Tipton with second by Commissioner Wichman. President Elect Waits also informed the Board that free test kits can be obtained through University of Nevada Cooperative Extension program.
10. **Discussion and Presentation Regarding the Opioid Epidemic in Nevada and Options for Counties to Engage in Legal Action Against Opioid Manufacturers, Robert Eglet, Partner, Eglet Prince; Erin Dickinson, Partner, Crueger Dickinson.** Dagny reminded the Board of the discussion that had taken place at the December meeting regarding the issue and that at the Board's direction the firms Eglet Prince and Crueger Dickinson, who have both been engaged by counties on opioid lawsuits, were invited to address the Board. She noted the materials included in the agenda packet, including the brief filed on behalf of Clark County. Mr. Eglet informed the Board that Eglet Prince is a Nevada law firm and gave a presentation that included background information on the impacts of the epidemic in Nevada and the aggressive marketing campaign that pharmaceutical companies targeted to doctors that downplayed the risks of addiction. Mr. Eglet's presentation also included information on the number of prescriptions written throughout the country and the state, specifically noting that in some areas the number of prescriptions exceeded the number of living adults. He discussed his firm's strategy regarding filing the lawsuit in state in the hope of retaining control and a larger settlement than if the case was filed or pulled into federal court. He also noted that Nevada has stricter product liability laws. He concluded his presentation with a review of his firm's qualifications and accomplishments. Ms. Dickinson spoke regarding the federal litigation and how Nevada's counties could fit into those suits. She noted that her team, comprised of several different firms, represents 183 counties throughout the country and that most cases filed in state courts were being removed to federal court. She discussed the recent hearing in federal court and the presiding judge's plan of action to resolve the nationwide cases in 2018. She noted that the judge has invited all parties involved including the AG's and states to participate in the process. She concluded her remarks by indicating their interest in working with local litigators and stressed their opinion that federal court is the right place for the conclusion of this matter. Questions from the Board included current settlement talks with the 40 AG's that had filed; specific damages identified by counties; and the potential distribution of funds if settlement is reached at the federal level vs. the state level. The costs to counties for providing the necessary data regarding the impacts to their services from the epidemic, along with an offer from Eglet Prince to cover those costs as a part of any contract signed with their firm, was also discussed. President Weekly reminded the Board that Clark County had engaged with Eglet Prince, but that individual counties were invited to contact the firms directly for additional information. No action was taken by the Board.
11. **Presentation from the Nevada Association of County Human Services Administrators, County Human Services 101, Edrie LaVoie, Lyon County Human Services Director.** Ms. LaVoie, Lyon County Human Services Director, thanked the Board for the opportunity to present to on the human services provided by counties. She noted that while each county has different needs and models for service delivery, all 17 counties are bound by NRS to provide a myriad of social services. She provided an overview of those mandated services along with the associated chapters in Nevada Statute. She noted that the 2011 legislative session transferred responsibility for many services to the counties, including increases in the county responsibility for Medicaid match. She discussed the statute changes that moved fiscal responsibility for child protection services and child developmental services from the state to the counties, even though the state still provides the services. Ms. LaVoie noted the impact of the change to the assessments was \$19.4M. She also reviewed the funding for human services specifically different tax levy's and how they are utilized and either maintained by the

state or returned to the counties. She discussed the changes to indigent care costs due to the implementation of the ACA and how the Indigent Accident Fund had evolved to address those changes and costs to counties. She reiterated that all 17 counties are responsible for providing the same services, but that delivery models differ based on the needs of the individual county. She noted that each county has a responsibility to develop and adopt standards through county code. She addressed NRS that defines county responsibilities and how the institution of the ACA changed county responsibility to provide medical care and that with the repeal of the individual mandate that could result in needing to provide those services again. Ms. LaVoie noted that county human services are evolving to change their service models based on community needs and changes in federal and state laws. President Weekly addressed issues between local governments (city v. county) and the level of responsibility for providing services, noting that it is clear counties have the greater level of responsibility. Mayor Crowell inquired as to the level of damages counties may have sustained as a result of the opioid epidemic, Ms. LaVoie noted that a large percentage of people to whom services are provided have addiction issues. Commissioner Tipton noted that 50-55% of return inmates have issues with substance abuse. Dagny noted that one of the issues that NACO works on with the rural county human services directors includes negotiation of contracts with the State. Edrie indicated that her presentation was available to share and that their Association could provide any additional information that the NACO Board might be interested in.

12. **Update and Discussion on NACO and NACO Members' Participation in the National Association of Counties 2018 Legislative Conference in Washington D.C., including Meetings and Events Held During the Conference.** Dagny reminded the Board that the Conference would be held March 3-7. She informed the Board that the Association is setting meetings with each of the Federal Delegation members and encouraged attendance at these meetings to discuss statewide issues. She referenced the draft Federal Priorities document that was distributed and requested any input be directed to staff, as the document does not need to be finalized until the next Board meeting. President Weekly requested those attending to let staff know and referenced the additional events the Association facilitates. It was noted that National policy requests are due to the NACo Steering Committee's on February 6th. No action was taken.

13. **Discussion Regarding the Ongoing Development of Policies and Programs Governing the use of Drones (Unmanned Aerial Systems), Including the Federal Unmanned Aerial Systems Integration Pilot Program.** Dagny reminded the Board that drones were addressed at a prior NACO meeting and that Commissioners Kirkpatrick and Tipton, who have both been a part of discussions on this topic at the National Association Board, will follow up on that conversation. Commissioner Kirkpatrick referenced information that had been distributed and informed the Board that local entities are able to regulate who, when and where drones can fly. She noted that issues have arisen in the public safety arena. She informed the Board that Clark County had looked into participating in pilot programs and that the federal government was expected to have funds set aside for grant programs. She also noted that the State is working on the issue and that they are looking for local government input. Commissioner Dahl stated that he agreed that participation is important. Commissioner Tipton told the Board that she had the opportunity to speak to a representative from Gila County AZ and during that discussion she was informed that there is an overarching federal advisory board that is coming up with rules and regulations for the nation and that unfortunately only one member of that board is a local government representative while most of the remainder are industry representatives. She specifically noted discussions regarding the potential for crashes of unmanned taxis and the responsibility for the cost of cleanup and the use of drones in criminal activity. Commissioner Tipton noted that there are benefits to drone usage but local government input is imperative. Commissioner Kirkpatrick inquired as to the appetite for participation during the development of the regulations with State. She clarified that at this time participation means whether counties are interested in being included. Dagny noted that per the discussion there are three pieces to the issue, how counties can use drones in house, economic development opportunities for private industry and local pre-emption with regards to how federal regulations will affect how counties can regulate drones. Commissioner Kirkpatrick noted that the NACo transportation committee had been working on the issue and she would like to develop a subcommittee to work on the issue in conjunction with the State. All members indicated that they would like more information and/or to participate on a subcommittee to discuss the issue.

Note: The NACO Board of Directors May Interrupt the Open Meeting and Exclude the Public from the Meeting for the Limited Purpose of Receiving the Information and for Deliberation Relative to Agenda Items #14 (b) and (d) below:

14. **Update and Possible Action Regarding Public Lands and Natural Resources Issues Including:**
Commissioner Tipton informed the Board that the Public Lands and Natural Resources Committee had met the previous day and deferred to Tori for updating the Board on the items below.
 - a. **NACO's Engagement in the Bureau of Land Management's and U.S. Forest Service's Greater Sage Grouse Resource Management Plan Amendments.** Tori informed the Board that comments had been submitted per the Board's previous direction. She told the Board that she expected to see the scoping report be released in the short term with direction from the Department of Interior on implementation. She noted that she is hopeful for a Nevada specific plan per the order of the court. She informed the Board that Cooperating Agency agreements are expected to be entered into and she is working with counties on those agreements and encouraged attendance at privileged meetings, in person if at all possible.
 - b. **The Ongoing Lawsuit Filed by the State of Nevada and Nine Nevada Counties Regarding the BLM's and U.S. Forest Service's Greater Sage Grouse Resource Management Plans.** Tori informed the Board that this is a standing item and there is nothing new to report.
 - c. **Release of the Draft Environmental Impact Statement for the Nevada Test and Training Range Military Land Withdrawal at Nellis Air Force Base.** Tori informed the Board that the draft EIS had been released and that it had been in the news. She referenced the public meetings that were being held and encouraged attendance by those affected. Commissioner Wichman encouraged that the group read the DEIS, because it speaks to impacts to specific communities and contains language that could be helpful in the future with other agencies. Commissioner McGuffey noted that he is opposed to the taking of more land especially as it impacts use of land by Nevadan's and inquired as to if it would be helpful for those not directly impacted to attend, Tori noted that public participation is always important. Commissioner Olsen noted that there is a large impact to his county from the Naval Air Station in regards to civilian payroll, conservation efforts etc. and that it is important for mitigation of negative impacts. Commissioner Kirkpatrick noted that Clark County has held conversations with the Base leadership on working with the other counties affected on how to lessen impacts. Tori concluded the discussion with the reminder that as Commissioners, engagement is enabled through the NEPA process and staff is available for support.
 - d. **The Center for Biological Diversity's Lawsuit against the U.S. Fish and Wildlife Service Seeking to Vacate their Decision not to List the Bi-State Sage Grouse as an Endangered Species and NACO's Motion to Intervene on behalf of the Service.** Tori reminded the Board that the Association had chosen to intervene and that it is important because the partnership developed for conservation of the species is a model for conservation and that the decision will have an affect all listing decisions going forward. She informed the Board that the reply brief is due February 6th and that oral arguments will be held on March 16th in San Francisco.
15. **NACO Committee of the Emeritus Update.** Commissioner Wichman noted that Past President Phillips had asked her to participate in the last meeting in his stead and she noted that she had a wonderful time Chairing the Committee for the past two years. She said that she is excited for the next workshop on county revenues. Commissioner Tipton inquired as to the completion of the pamphlet on being a County Commissioner and Dagny informed the group that the document is being refined and that she will be having Vinson tackle that project.
16. **National Association of Counties and Western Interstate Region Board Member Updates.** Commissioner Dahl informed the Board that there had been one Western Interstate Region call since the meeting in Wyoming that dealt primarily with PILT and SRS and the next meeting will be in Idaho in May. Commissioner Kirkpatrick noted that the WIR group is lucky to have Commissioner Cruikshank at the helm. Vice President French informed the Board that he would like to bring some

new issues before WIR, and specifically spoke to the proposal of the Interior Department to add additional district regions to the West that is cause for concern, specifically as it relates to loss of input for rural jurisdictions. Commissioner Tipton noted that the proposal does not appear to give counties any additional voice and can negate decisions made a state level and Commissioner French concurred and added that the proposal somewhat mimic's the Planning 2.0 initiative that was removed by Congressional Action. Commissioner Kirkpatrick echoed concern specifically where water concerns come into play and encouraged the placement of the issue on individual commission agendas.

17. **NACO Board Member Updates.** Updates were given by members of the Board on activities in their counties.
18. **Public Comment.** President Elect Waits reminded the Board that she sat on the State Division on Aging and wanted to let the Board know that a lot of the tobacco settlement funds were spread through the counties for projects that benefited the elderly.

The meeting was adjourned at 1:50PM