

NEVADA ASSOCIATION OF COUNTIES (NACO)
Board of Directors' Meeting
June 23, 2017

ADOPTED MINUTES

Attendance: President Elect Weekly; Vice President Waits; Past President Wichman; Mineral County Commissioner Tipton; Lyon County Commissioner Alt; Washoe County Commissioner Herman; Storey County Commissioner McGuffey; Carson City Mayor Crowell; Humboldt County Commissioner French; Ken Retterath, Nevada Association of Human Service Administrators and NACO Staff (Jeff Fontaine, Dagny Stapleton, Amanda Evans and Tori Sundheim)

Remote Attendance: Elko County Commissioner Dahl and Clark County Commissioner Kirkpatrick

Other Attendees: Churchill County Manager, Eleanor Lockwood; Linda Bisset, NV Energy; Storey County Assessor, Jana Seddon; Churchill County Assessor, Denise Helton; Humboldt County Assessor, Jeff Johnson; Nye County Public Information Officer, Arnold Knightly; Nye County Manager, Pam Webster; Churchill County Commissioner Erquiaga; Douglas County Human Services Administrator, Karen Beckerbauer; Nikki Lynn, Humboldt County; Jeff Figueiredo, Nevada Army National Guard and Jared Aranda, NACO Summer Intern.

The meeting was called to order at 9:31A.

1. **Public Comment.** Jeff Figueiredo spoke to the Board regarding the Selective Service System and gave an overview of the draft system and the associated Draft Boards. He informed the Board that some of the Boards throughout the state are in need of volunteer members and requested that the NACO Board members communicate these needs to their communities. Mayor Crowell spoke to Carson City's recent Marijuana Forum and thanked and congratulated Dagny on her presentation.
2. **Approval of Agenda.** Commissioner Tipton inquired as to changes and Jeff noted that item 13a would need to be heard time certain at 10:00 and Commissioner Kirkpatrick would need to address the Board under item 17 earlier in the meeting. The agenda, as changed, was approved on a motion by Commissioner Tipton with second by Past President Wichman.
3. **NACO President's Report.** President Elect Weekly informed the Board that NACo would be visiting Clark County and that they are moving forward with the hosting of the NACo Annual Conference in 2019.
4. **NACO Executive Director's Report.** Jeff introduced Jared and informed the Board that he has already done some great work. He also outlined Jared's education, previous internships and his service in the Air National Guard. Jeff announced that former Lincoln County Commissioner and NACO Board member Tommy Rowe had been elected as the Mayor of Caliente. He referenced registration being open for the Annual Conference in Winnemucca and requested that the Board let him know if any of their counties are interested in hosting the conference in 2018. Jeff also spoke about the upcoming NACo Annual Conference in July and noted that voting credentials had been sent to all Commission Chairs and that they needed to be completed and returned to National. He also requested that anyone planning to attend please let staff know. He noted that Steering Committee sign-ups are open and anyone interested in serving or continuing to serve on these National committees should make sure they complete the application documents. Dagny spoke to the Board about the Fire Adapted Communities program and how the Fire Safe Council's disbandment had limited the program's outreach due to the lack of ability to obtain and administer grant funding. She informed the Board that due to the lack of a non-profit able to take on those duties that the NV Division of Forestry determined that they were able to take on those responsibilities and subsequently entered into a MOU with Cooperative Extension. The new organization will be called the Nevada Network of

Fire Adapted Communities. The structure of the advisory board will resemble that of the Fire Safe Council, and Dagny sat in as the NACO representative in a retreat earlier in the week. She informed the Board that the organization should be able to start actively supporting communities' fire prevention efforts within the next 6-12 months. She also let the Board know that a representative would be coming to a future meeting to update the Board on the progress and the organization. President Elect Weekly asked for clarification on the makeup of the Board and Dagny noted that each entity (FS, BLM, NACO, State, and the League of Cities) will each have a representative and that there would also be three community representatives based on regions. At President Elect Weekly's request Dagny also clarified that NDF will administer grant funds that all funds will be distributed to the individual local communities for targeted projects.

5. **Approval of Minutes of the May 19, 2017 NACO Board of Directors Meeting.** The minutes were approved on a motion by Mayor Crowell with second by Commissioner Tipton.
6. **Update and Possible Action regarding the Phase-out of Advanced Data Systems used by Nevada's Counties, including County Contracts for Software and Development and Licensing.** Jeff gave an update on the status of the conversion and noted that he has been informed by several counties on progress and that some of them have signed with DevNet for Assessor/Treasurer software and others are looking at or have signed with Helion for Recorder's software. Assessors Helton and Johnson informed the Board that five counties have signed with DevNet for the Assessor/Treasurer software and that several others will have contracts on their July agendas. Assessor Helton noted that Comptroller's and Recorders are projecting to have contracts on agendas in July as well. President Elect Weekly inquired as to deadlines and Assessor Helton informed him that the assessment and tax collection pieces used by the Assessors and Treasurers was the most complex and that they are intending to start development in August. Jeff noted the timeline included in the April meeting for reference. Commissioner McGuffey inquired as to the counties using the same software and it was clarified that all the Assessors and Treasurers are utilizing the same software and Assessor Seddon informed the Commissioner that she was in agreement and the contract would be on Storey County's July 18th agenda. Jeff also noted that it was always understood that the Clerks and Recorders systems did not need as much customization and would allow for more vendor choice. Commissioner Tipton noted that her Clerk/Treasurer and Assessor would be going with DevNet. Mayor Crowell noted that Carson City had DevNet on their agenda but that the firm had pulled the contract, for reasons he was unclear on. Assessor Helton told the Mayor that she was informed it was due to a scheduling conflict and that the item was pulled by the District Attorney. Commissioner French asked for clarification of all 15 affected counties being in concert with DevNet and Assessor Helton said yes. Nye County Manager Webster asked about the payment portion of the contract and inquired if any of the counties who had signed had opted for milestone billings instead of quarterly billings. Assessor Johnson informed Ms. Webster that Humboldt County had agreed to the contract as written and Vice President Waits informed her that Lander County had gone with an annual payment. Assessor Seddon noted that Storey County's Comptroller had the same issue and that during their meeting with DevNet it was noted that if a county wasn't satisfied with the progress that the next quarterly payment could be withheld. Ms. Webster noted concern that the risk was being borne by the counties and that they would be continuing to look at language to address the issue.
7. **Update on Interlocal Agreements between the Nevada Department of Health and Human Services, Aging and Disability Services Division and Counties to Provide Services to Children with Intellectual and Developmental Disabilities.** Jeff referenced the discussion at the April Board meeting and the changes in the contracts with respect to the costs assessed to the counties. He also referenced the discussion on the impacts to counties regarding costs that exceeded the Division's projections used in budget creation. He noted that NACO continues to work the County Human Services Administrators on the issue. Karen Beckerbauer, Social Services Manager in Douglas County informed the Board that the changes took away the ability to negotiate on income eligibility, formerly capped at 200% being increased to 300% of poverty level and smaller counties not being able to negotiate levels of service. She noted that a meeting would be held the following week to negotiate contracts returned to the counties. She used an example in Douglas County for supported living arrangements of two minors that would be billed, in full to the County 13-14K/mo. She noted that several DA's would be in the meeting to address concerns with NRS interpretation. She also addressed extreme concern with a lack of caps on what the counties could be assessed for cost of services. Commissioner McGuffey inquired as to the justification for the monthly cost referenced for

the supportive living arrangement. Jeff told the Board that he had met with Director Whitley and his management team about the issue and made them aware of the situation. He noted that the Director acknowledged the issues and asked his managers to go back and work with the counties. Director Whitley said that he would follow the original language of the 2011 agreements. It was also noted that the Director recognized that with the change in the Division's management there may be a lack of institutional knowledge, and that he is interested in his management team having good relationships with the counties as well as consistency. President Elect Weekly discussed the work the Director is doing with regards to county jails and Medicaid, specifically in Washoe County, and noted that there are concerns 'all the way around.' He suggested having the Director come to a future meeting.

8. **Overview of the Nevada Association of County Human Services Administrators Priorities and Activities.** Ken Retterath, President of the Association gave an overview of the Association and noted that they meet monthly, have a weekly call during the legislative session and will add meetings as needed. He noted that all 17 counties have representation in the Association and all are well represented and active, and that they work closely with NACO. He informed the Board that the most pressing issues being addressed by the group are the contracts discussed in the previous agenda item and the ongoing discussion of health care reform. He noted that pre ACA all the counties were responsible for indigent care and with Medicaid expansion, which covered the majority of people the counties were previously providing services for, allowed the counties to move millions of dollars to other areas of need. He noted that the potential roll back of the expansion of Medicaid would result in the counties again being responsible for indigent health care. Mr. Retterath also noted that the issues with the contracts previously discussed were a result of recession push downs and informed the Board that the Association is following those two items very closely and will report back to the Board as development arise. Jeff informed the Board that he had received an email from NACO that the currently proposed Senate bill is worse than the House bill and that they are asking for counties to take action on the issue. According to the communication Medicaid would move to a per capita cap program which would result in a \$830B reduction in Medicaid over the next 10 years and drive people to seek care from higher cost providers such as emergency rooms etc. Jeff also mentioned an OpEd in the Ely News that specifically discussed the detrimental effects 'repeal and replace' will have on rural communities, specifically hospitals. Mr. Retterath noted that the implementation of the ACA took away a lot of services and reversal of the Act will require reinventing the wheel specifically mental health services. President Elect Weekly spoke to specific challenges in his district and unfunded mandates that require suffering in other areas and noted his concerns with the issues discussed and how balance can be achieved. Commissioner Alt noted the need for churches and civic organizations to step up to provide services that government may not be able to provide. Past President Wichman noted that there are 18K square miles in her district that have zero services and citizens within that area are relying on neighbors to help them. She noted that her district lost all of the medical services after the ACA went into effect and neighboring counties are suffering the costs associated with care and transportation.
9. **Briefing and Possible Action Regarding the Implementation of Question 2, "The Regulation and Taxation of Marijuana Act," which was approved in the 2016 General Election including; Bills enacted by the 2017 Legislature, the Governor's Task Force Report and the Distribution of State Excise Tax Revenues to Local Governments.** Dagny reminded the Board that the possession and use of recreational marijuana is now legal throughout the state regardless of whether a county has zoned out marijuana businesses. She noted that State marijuana licenses are being issued and that if a county has not acted on the zoning restrictions that they need to do so now. She noted that Douglas County has a good ordinance for prohibiting marijuana businesses and that Clark County's ordinance is a good template for allowing the business with tight restrictions. President Elect Weekly noted that Clark County had recently approved business licenses for 25 firms and that those firms had made valiant attempts to skirt around a multitude of the County's restrictions. He encouraged the Board to use their ordinance as a template for allowance of the businesses. Dagny noted that the Legislature passed legislation that allows rural cities to allow marijuana businesses regardless of county ordinances and that direct delivery to consumers may be occurring as well, and that she is researching if counties can zone out delivery services. She informed the Board that SB487 allows counties to charge a business license fee up to 3% of gross revenues and that there is no other dedicated tax that will go to counties. She noted another important piece of the marijuana laws include the distribution of the \$5M to local governments, which was also codified in SB487. She noted that NACO has proposed a formula for those dollars that includes an equal distribution of \$1.5M to all

counties with the remainder being distributed to jurisdictions with marijuana businesses based upon revenues received. Originally the cities were supportive of ensuring there was a distribution of these dollars to counties where cities have authorized the businesses but counties have not; but the League of Cities has indicated that they are no longer supportive of the proposed formula and that they would like to see the distribution formula go before the Committee on Local Government Finance. Commissioner McGuffey requested clarification on the proposed formula and Dagny explained that the proposed distribution of the \$1.5M would be to all counties to address impacts. Mayor Crowell informed the Board that Carson City's analysis showed a roughly \$440K impact whether they zone in or zone out the businesses and that he will inquire as to the cities' reluctance to support something that they had gone on record supporting during the legislative session. Past President Wichman inquired as to the city's ability to adopt fees and licensing and it was clarified that the cities have the ability to enact the same fees as the counties. Commissioner Tipton inquired as to how to address usage by employees and it was reaffirmed that the policies of not only the counties but private business will stand, regardless of the legalization of use. Further discussion included determining the location of medical card holders to assist in determining where the potential for the most impacts may be and Dagny indicated that she would reach out to the State to see if they would provide that information. By consensus the Board instructed staff to advocate for the inclusion of the formula in the marijuana regulations. Dagny concluded her remarks with a summary of the approved laws including that counties cannot enact regulations more strict than the state regarding packaging, dosage, type, tracking and transportation of marijuana except on direct delivery to consumer and asking that the sheriff to be notified of deliveries. She noted that Tribal governments are allowed to approve consumption, production and distribution but any production done on tribal lands would not be allowed to be part of the Nevada market unless the tribe signs an MOU with the Governor and adopts all of the same laws and regulations as the State. Commissioner French inquired as to retailers from other states setting up businesses on tribal lands and it was clarified that tribes could have allowed marijuana prior to the passage of Q2 as a sovereign entity. Jeff inquired as to the Board's appetite to do a workshop on the issue and Past President Wichman noted that it would be a good project for the Emeritus Committee and the Board instructed staff to put one together. Dagny concluded her update by sharing that the Governor's Task Force on Marijuana had released their report and that those recommendations are supposed to be used to write the permanent regulations.

10. **Update on the 2017 Legislative Session including Bills and Budgets that Impact County Governments.** Jeff referenced the bill tracker and summary of actions that counties must take per bills passed during the session distributed the previous day. Commissioner French inquired about the bills that would have allowed the rural counties to enact a diesel tax. Jeff noted that the SB439 passed out of the Senate committee but did not pass the deadline. He discussed the Executive Committee's meeting with Senator Ford who agreed to bring the bill back if rural support could be guaranteed, which occurred, and then the Bill immediately passed out of the Senate. On the Assembly side the Bill passed out of committee but did not receive a vote on the floor and therefore died despite the best efforts of the counties. Mayor Crowell inquired as to the indigent defense bill and Jeff gave a summary of SB377, which would have established a right to council commission and allowed rural counties to opt in and/or out of a state system. Jeff noted that the Board instructed staff to take a neutral position on the bill, which NACO did. The Bill was amended in the late hours of the session by the courts and now creates a commission similar to that proposed in the original Bill that will make recommendations for potential indigent defense reforms to the 2019 Legislature. The commission will be comprised of 6 county NACO nominees' from whom the Governor will appoint 4, and Jeff requested that the Board think about recommendations for the August meeting - Mayor Crowell volunteered for nomination. Commissioner French inquired about the Humboldt County bill that would have allowed a county to make appointments to small boards with vacancies due to lack of candidates. Dagny noted it was a similar story to the diesel tax bill and that it died without a vote in the Assembly. Vice President Waits inquired about the White Pine Courthouse bill and the pets in vehicles bill. Dagny noted that SB409 (pets) had amendments put into it to address concerns raised by rural legislators and she will follow up with further details. Jeff informed the Board that the White Pine courthouse bill (AB40) received one hearing on short notice and that White Pine County did a good job on their presentation, but in the end it was not approved. AB379 regarding the creation of parks districts with taxing authority in cities was discussed – NACO staff worked with others on amendments that created more county oversight of the districts. Jeff informed the Board that there was a lot of discussion on property taxes but little action other than SJR14 which if passed again in 2019 would put a question on the 2020 ballot that would reset valuation and abatements. With regards to

collective bargaining the majority of actions were fairly neutral, as the Governor made it clear that he would not approve any changes to the measures passed in the 2015 session. Cooperative Extension was also a 'hot topic' including SB407, which would have split the program and granted land grant status to UNLV. AB407 passed out of the Legislature and NACO staff drafted and sent a veto request to the Governor. The bill was vetoed. Immediately after session NACO staff met with UNR to discuss strategy for creating better relationships with Cooperative Extension in Southern Nevada. Jeff also noted that the great collaborative effort of NACO, the Clerks and Election officials, and the Secretary of State resulted in AB519 - a direct appropriation for about half the costs of the replacement of voting machines for all counties. With regards to the document on legislation requiring county actions, Dagny requested that the document be distributed and to reach out to her with any questions. With regards to budget impacts Jeff noted that increases in assessments were fairly neutral but there is an increase in the costs PSI's of 57%. There were also changes to non-state retiree's in the state Public Employees Benefits program, which was included in the budget and codified in SB512. SB512 transitions the cost offset from the State to the counties within 4 years. The pool is declining based upon enrollment in Medicare etc., but in the interim the counties will be responsible for the costs.

Item's 11 & 12 were heard concurrently

11. **Discussion and Possible Action regarding a NACO Op-Ed on the Implications of the 2017 Legislative Session on Nevada's Counties.**
12. **Discussion and Possible Action regarding Interim Legislative Activities to Address County Assessments for Services provided by the State.** Jeff noted that the Board had been kept apprised of the activities of the session and thought it would be a good opportunity to think about the ramifications of the session. Jeff suggested that there may not be a need to do an Op-Ed but said that there is an opportunity for discussion on what the counties can and should do during the interim to address some of the assessments which, it has been made clear, will not be rolled back as well as paying assessments for services with no control or input over them. Jeff mentioned working collaboratively with DHHS to potentially bill Medicaid directly for some services as well as taking over some services or creating regional programs. Jeff also suggested that there needs to be more communication with legislators to help them understand rural issues. Commissioner Tipton stated that the group needs to have serious discussions on the potential to do regional mental health and CPS services and agreed that the education of urban legislators and the opening of effective communication are paramount. President Elect Weekly noted that if NACO presents a united and active front that the Association could affect positive change. A general outreach plan was discussed and staff was directed to prepare a proposed plan and bring it back to the Board. No actions were taken on either item.
13. **Update and Possible Action Regarding Public Lands and Natural Resources Issues Including:** Commissioner Tipton, Chair of the Public Lands & Natural Resources Committee noted that the Committee had discussed the BLM's Planning 2.0 initiative and have developed a strategy to address the Secretary's letter instructing the agency to come up with a better planning process. Tori noted that the strategy includes making Nevada specific recommendations and Commissioner Tipton stated that she is pushing to make county master and land use plans the first point of discussion for any proposed agency land use planning decision. Commissioner French noted that you can't overhaul 40 years in 3 months and that some items of concern are stipulated by the courts and also noted that adherence to the original intent of FLPMA and NEPA is important. Vice President Waits inquired about the webinar taking place later in the month and that being an opportunity to make that argument and Tori said that she has criticized the use of that platform to gain meaningful comments and noted that it enables them to check a box. Tori also noted that she will be working with other states to align some of the concerns that are similar to include consistent comments and suggestions. It was also noted that it is important to keep both master and land use plans are continuously updated.
 - a) **Update by the National Wild Horse and Burro Rangeland Management Coalition.** Keith Norris, Director of Government Affairs for the Wildlife Society joined remotely and Mr. Norris noted the Coalition's appreciation of NACO's membership. He gave a brief overview of the Coalition and its focus on rangeland health and the need for appropriate management levels (AML's) of wild horses and burros. He noted that there are 18 national associations that serve on the steering committee and additional organizations like NACO that serve as general members. He noted that

- in Nevada the population estimate is 37K, which exceeds the AML of 12K by 300%. He also clarified that these estimates are only BLM estimates and that they do not include animals on USFS, state or tribal lands. It was noted that the BLM has tried some things to address the herd levels but was stopped by litigation which resulted in low management activities. He said that one of the reasons for limited management actions is the 46K/animal cost to keep animals in holding facilities. He noted that the budget proposed by President Trump removes language that restricts sale, which would allow for further gathers and removals. Commissioner Dahl asked if the Coalition was optimistic on the success of the removal of the language. Mr. Norris noted that there are challenges with the language removal and that they are working on educating members of Congress. He said that, in his opinion, taking a vote to remove the language would not be one any member would be willing to take. The best case scenario is to keep the language out of the original draft. Commissioner Dahl noted that Congressman Amodei suggested that the term slaughter be left out. Commissioner French noted that there is a long standing dispute with the BLM's estimated numbers and that the true number of animals would fall somewhere between 300% and 700% of AML in Humboldt County alone and referenced a WIR meeting where then Director Kornzie discussed potential changes to policy to allow for adoption internationally and possible payments to adoptees. Mr. Norris noted that the ideas had been discussed but that with the transition of the administration, a lot of possible policy changes and ideas have been put on hold. Commissioner McGuffey asked about the cost per animal in captivity and it was noted that the current costs are \$54K resulting in a FY16 cost to the BLM of \$49.5M.
- b) **Approval of NACO's Federal Priorities Paper.** No discussion was held on this item.
 - c) **Approval of a NACO Letter to Governor Sandoval requesting Assistance in Addressing the Overpopulation of Wild Horses in Nevada.** Vice President Waits suggested minor verbiage changes. The letter was changed as noted and approved on a motion by Commissioner Wichman with second by Commissioner French.
 - d) **Approval of a NACO Letter in Response to the April 26, 2017 Presidential Executive Order on the Review of Designations under the Antiquities Act.** Tori informed the Board that Jared had researched the size of former declarations per the Board's direction in May. She requested the Board provide their opinions on including a specific size recommendation or not in the letter due July 10th.
 - e) **The U.S. Department of the Navy's *Fallon Range Training Complex Modernization: Expansion of Land Ranges, Airspace Modifications, and Public Land Withdrawal Renewal Environmental Impact Statement, and the U.S. Air Force's Notice of Intent to Prepare a Legislative Environmental Impact Statement for the Nevada Test and Training Range Military Land Withdrawal at Nellis Air Force Base.*** Tori noted that Churchill County has done a fantastic job taking a leadership role in the process and that Mineral County is fully engaged as is Nye. Commissioner Alt shared that Lyon County does not have an appetite to take an active role in the process. Tori noted that she would reach out to Manager Page to further gauge the County's appetite to engage. She referred to a forum held the previous Monday with only local governments and the military and that progress had been made on communicating the impacts.
14. **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 F&WS.** Tori informed the Board that she had attended a meeting in Bishop and learned a lot about the landscape and that briefing will continue through January and the first hearing will likely be scheduled for early 2018.
 15. **The BLM's and U.S. Forest Service's Greater Sage-Grouse Resource Management Plans including the Complaint for Declaratory and Injunctive Relief Filed by the State of Nevada and Nine Nevada Counties.** This item was not heard due to council being out of town.
 16. **National Association of Counties and Western Interstate Region Board Member Updates.** Commissioner French informed the Board that WIR was held the previous month in Oregon and highlights were discussions on Planning 2.0, and the need for input from the counties. He noted discussions on the National agenda and how it dovetails into western needs including SRS, PILT. Tori noted that one thing of interest was Arizona Supervisor Martin's request to determine three specific things to accomplish as a region. Commissioner French noted a lack of discussion on the opioid epidemic and that during conversations with fellow Commissioners from states who have already

instituted recreational marijuana about various issues with legalization. Commissioner Tipton informed the group that the NACo Board held a meeting at the WIR conference but the big meeting is upcoming in Ohio in July.

17. **NACo Board Member Updates.** Commissioner Kirkpatrick brought to the Board's attention the workshop on Workforce Solutions and informed the Board that there are funds available for travel and requested anyone interested in attending contact her. Commissioner Wichman informed the Board that Secretary Zinke would be visiting Pahrump the following Monday, specifically to discuss PILT, and that he is interested in hearing from all local government officials on the subject. Vice President Waits informed the Board that the Lander County Recreation Center would be taking place July 3&4. Commissioner McGuffey updated the Board on the ground breaking for two hotels at the Tahoe/Reno Industrial Center and shared that there are 12 additional properties in escrow. President Elect Weekly discussed his role on the Workforce Connections Board in Southern Nevada, and encouraged Board members to find out what the Northern Nevada office is doing and take advantage of the resources offered.
18. **Public Comment** – Past President Wichman informed the Board that the Emeritus Committee is planning three workshops in 2018 on How to Follow a Bill, C-Tax, Public Lands Issues and possibly a review of marijuana laws. She also noted that discussions were held on strategies to better develop relationships with legislators in the interim. Dagny noted that the Board gave direction to staff to work on a proposal earlier in meeting

The meeting was adjourned at 2:00pm.