

NEVADA ASSOCIATION OF COUNTIES (NACO)

Board of Directors' Meeting
February 21, 2020, 9:30 a.m.
NACO Conference Room
304 S. Minnesota Street
Carson City, NV 89703

ADOPTED MINUTES

ATTENDANCE: President French, Past President Waits, Douglas County Commissioner Walsh, Elko County Commissioner Dahl, Esmeralda County Commissioner Keyes, Lander County Commissioner Allan, Lincoln County Commissioner Higbee, Lincoln County Commissioner Lister, Pershing County Commissioner Shank, Fiscal Officer Kalt and NACO Staff (Dagny Stapleton, Vinson Guthreau, Colby Prout and Amanda Evans)

REMOTE ATTENDANCE: President Elect Kirkpatrick, Carson City Supervisor Giomi, Churchill County Commissioner Olsen, Eureka County Commissioner Goicoechea, Mineral County Commissioner Price and White Pine County Commissioner Carson

OTHER ATTENDANCE: Travis Brewer LaChappel and Kelly Riddle, Office of Senator Rosen; Dr. Ivory Lyles, Cooperative Extension; Linda Bissett, NV Energy; and Denice Castle, JOIN Inc.

The meeting was called to order by President French at 9:34 a.m.

1. **Public Comment.** None was given.
2. **Approval of Agenda.** The agenda was approved on a motion by Commissioner Higbee with second by Commissioner Allan.
3. **NACO President's Report.** President French made note of Commissioner Higbee's attendance at the previous days Hope 4 Prisoner's graduation, during which President Trump spoke, specifically recognizing Commissioner Higbee's chairmanship of the Southern Nevada Workforce Development Committee. President French also chair's Nevada Works and discussed his desire to focus northern efforts on displaced workers and noted that he feels that the focus of workforce development needs to shift to high school graduates who don't plan on attending traditional college and focus funds on alternative post-secondary education.
4. **NACO Executive Director's Report.** Dagny informed the Board of Senator Rosen's upcoming grants workshop in Las Vegas and directed them to the flyer included in the agenda packet. She discussed the upcoming National Association of Counties (NACo) Legislative Conference and informed those attending that information on the State dinner, Hill meetings, and other events would be distributed. Dagny also informed the Board that the 2020 NACO Directory update had been completed and that hard copies are available as well as a PDF being located on the website. She gave a brief overview of the Board for the Fund for Accident Care to Indigent People's (IAF) recent decision to repurpose part of the Fund to assist counties with their assessments from the State for Medicaid costs associated with long-term care. Dagny also informed the Board that the Actuarial Study, previously authorized by the Board, regarding the assessments is moving forward and informed the members that in order for the State to disseminate some of the required information that Business Associate Agreements between each of the counties and

NACO needed to be completed. She informed the Board that the agreements had been distributed and that the need to be executed within the next two weeks. Vinson announced that Senator Cortez Masto's office had announced the availability of approximately \$1 Billion in BUILD grants, noting that 50% of those funds were being dedicated to rural areas. He informed the Board that the Delegation is interested in coordinating letters of support and to let staff know if any of the counties would be applying for those funds. He also informed the Board that the SCR3 working group had tasked him with gathering data from the counties on their needs and funding challenges. He informed the Board that a survey had been distributed and requested the completion of the survey as soon as possible as his presentation to the group was scheduled for March 5th.

5. **Approval of Minutes of the January 31, 2020 NACO Board of Directors Meeting.** The minutes were approved on a motion by Commissioner Dahl with second by Commissioner Lister.
6. **Approval of Additional NACO 2020 Associate Members.** Enterprise Fleet Management was approved for Associate Membership on a motion by Past President Waits with second by Commissioner Allan.
7. **Discussion and Possible Approval of Storey County to Host the 2021 NACO Annual Conference, Including Discussion of Conference Dates.** Dagny reminded the Board that the 2020 Annual Conference is scheduled for November in Churchill County. She informed the Board that the request for the approval and location of the 2021 event is since all the available rooms in Virginia City will need to be placed on hold for the conference. The dates (September 28-30) and hosting of the Conference by Storey County were approved on a motion by Commissioner Allan with second by Commissioner Walsh.
8. **Discussion and Possible Approval of a New NACO Investment Advisor.** Dagny reminded the Board of the Investment Policy they previously approved and informed them that she and Fiscal Officer Kalt had developed an RFP for proposals to manage the Association's investment portfolio. She told the Board that several had been received and through a committee comprised of herself, Fiscal Officer Kalt and President Elect Kirkpatrick conducting interviews that their recommendation is to contract with Morton Asset Management. Dagny referenced the proposal from Morton and the detailed recommendation included in the agenda packet. Fiscal Officer Kalt gave an overview of the proposal noting that the firm had the most experience in government investment management, their proposed products are in line with the approved policy and they have the lowest fees. Commissioner Higbee informed the Board that Lincoln County uses the firm and they are very satisfied with their performance. Commissioner Lister inquired as to if the Association is bound to the same investment parameters as the counties and Mr. Kalt informed the group that the Association is allowed to have risk assets as a part of the portfolio under the rules governing its status as a 501(c)4. It was also noted that the firm was recommended by Washoe County. Morton Asset Management was approved as the Association's new investment manager on a motion by Commissioner Lister with second by Commissioner Dahl.
9. **Review and Final Approval of NACO's Draft Federal Policy Priorities for 2020.** Vinson directed the Board's attention to the final draft included in the agenda packet based on feedback given to staff at the January meeting. Commissioner Lister requested the inclusion of an additional sentence in the Public Lands and Natural Resources section that strongly encourages that the agencies consult with counties on any land management decisions. Commissioner Goicoechea noted the inclusion of the language encouraging the spend down of the dollars appropriated for wild horse and burro management. He informed the Board that Eureka County

had recently taken action to send a letter to the BLM encouraging that they send present their report to Congress, as the matter is time sensitive, encouraging other counties to do the same. Dagny informed the group that current policies of the Board allow for the Association to draft a letter to that effect without specific Board approval. It was agreed that Eureka County will share their letter and that the matter would be carried forward during delegation meetings and included in the talking points. Commissioner Lister brought up issues with CDBG restrictions, the Board was informed that those restrictions come at the State level and that staff had recently had a meeting with the Director of GOED on their revamped plan and that the Department had been invited to present to the Board. The document as discussed was approved on a motion by Commissioner Lister with second by Commissioner Dahl. Following the reopening of the item per item 19 the Board discussed an item in the President's proposed budget that would sell some of the nation's power infrastructure to private parties. The inclusion of language opposing the proposal was approved on a motion by Commissioner Goicoechea with second by Commissioners Dahl and Carson.

10. **Update and Discussion Regarding the Board for the Fund for Hospital Care for Indigent Persons (IAF Board) Recent Decision to Allocate Additional Funds to Assist Counties to Pay their Obligation of the Nonfederal Share of Expenditures for Long-Term Care Pursuant to the State Plan for Medicaid.** Dagny gave the Board an overview of the IAF, reminding them that NACO oversees and staffs the Fund and that counties are obligated to provide indigent care. She informed the group that President French is the Chair of the Board of Trustees and noted that the IAF is funded through a 1.5 cent property tax levy in each county. She discussed the complexity of the Fund and its uses, including the federalization of monies within the fund that go to hospitals to help fund indigent care through Medicaid. Dagny informed the Board that since 2014 approximately \$35 million a year had been set aside for the hospitals and that only \$2 million was set aside through the fund to help counties with their long-term care assessments which was awarded by the Board of Trustees through an application process. Because of the drastic increase in county assessments from the State, Dagny informed the Board that IAF Board of trustees voted to increase the amount of money available to counties from the fund by \$6 million bringing the total to \$8 million in 2021, and then to phase in the entirety of the \$1.5 cent property tax assessment within the fund to help defray the costs of the state assessments to counties. Dagny made it clear that those funds must be used to provide indigent services. Comments from the Board included the benefit of the dollars going to private, for profit hospitals and their ability to participate in Medicaid match programs, which they don't. The Board approved the resolution in support of the IAF Board's decision, included in the packet on a motion by Commissioner Higbee with second by Supervisor Giomi.
11. **Update on the University of Nevada Cooperative Extension Program, Dr. Ivory Lyles, Director, and Associate Dean for Engagement.** Dr. Lyles directed the Boards attention to the budget enhancement request included in the agenda packet which would be presented to the Board of Regents and noted that his office would be reaching out for people to testify in support of the request. He also gave an overview of the NRS governing Extension and its operations. He informed the Board that the individual budgets for each county are required to be presented to the individual commissions and that they must be adopted by the Commissions prior to any spending. He also noted that the funds collected by the counties through property tax assessments must be spent within the county and that funds contributed by the State can be distributed by the Program Director. President French inquired as to how the individual budgets are developed. Dr. Lyles informed the group that the county Extension Educator receives the projected revenue from the County and then develops a draft budget based on the county's needs. The draft budget then goes to the area director, followed by the Fiscal Officer and then is sent to him. Dr. Lyles will then either approve the draft budget as presented or negotiate it per his review. Once it has received his approval it will be presented to the Commission for their approval. President French inquired as to the spend down of end fund balances and noted that

large end fund balances would need to be addressed by either an increase in programming or a reduction in the county tax assessments. President Elect Kirkpatrick voiced support for the enhancement and stressed the need for the University to work with the counties based upon their budget processes. No action was taken.

12. **Presentation from the Nevada Airports Association, Jeff Fontaine, Executive Director; Ken Moen, President.** Mr. Moen informed the Board that he is also the General Manager of the Carson City airport. He discussed the fact that the State's priority with regards to transportation as traditionally been the highway system and that aviation needs to be made a part of the larger discussion. He gave the Board an overview of the association and discussed the Federal Aviation Administration's grant programs. Mr. Moen noted the importance of aviation and 'connector hubs' in the future of economic development across the state. Commissioner Dahl noted that the Nevada Department of Transportation (NDOT) does assist with the maintenance of small private air fields in the rural areas because they are frequently used for emergencies and Commissioner Lister noted the proposed military base expansions and noted that they would have large impacts to the aviation industry and encouraged dialogue with the NDOT aviation specialist.
13. **Discussion and Updates Related to the 2020 U.S. Census.** Dagny reminded the Board of the importance of the Census and referenced the handout included in the agenda packet. She also reminded the Board that the State has grant funding available to assist with outreach efforts related to the Census.
14. **Update and Discussion Regarding the University Nevada, Reno, Budget Enhancement Proposal for the Cooperative Extension Program, UNR President Marc Johnson.** President Johnson expressed his appreciation for the Board's guidance in the development of the request and thanked the Board for their endorsement of the 2019 proposal. He informed the Board that the 2020 request was developed based upon the largest and most effective support of the 4-H program statewide. He noted that the request focuses on K-12 educational priorities based upon the actions of the 2019 Legislature and the Governor's priorities. Dagny informed the Board of the process going forward, noting that it would be presented to the Regents on March 6th, then would be discussed by the Regents in June, an additional meeting would follow that and then the full budget enhancement request for the University would be sent to the Governor by September 1st. Commissioner Lister inquired as to how each county would benefit from the proposal. President Johnson noted that programming is unique to each county and that the plan is to have a dedicated 4-H person in each county. The recent firing of a 4-H volunteer was brought up and the President noted that the situation was rare and unique and that the Program has a statewide volunteer coordinator to address training of volunteers. It was also noted that there are opportunities to address the Program's funding at the legislative level. Support for the budget enhancement request was approved on a motion by Past President Waits with second by Commissioner Dahl.
15. **Update and Possible Action Regarding Natural Resources and Public Lands and Issues Affecting Counties Including:**
 - a. **Review of NACO's Draft Comments on Council for Environmental Quality's Notice of Proposed Rulemaking for National Environmental Policy Act (NEPA).** Colby reminded the Board that they authorized the submission of comments at their January meeting. He referred to the draft comments included in the agenda packet and noted that they included the priorities approved by the Public Lands and Natural Resources subcommittee. The comments include support for cooperation with counties, the use of county data and recommend amended language to include coordination with local governments in the development of environmental impact statements and to mandate

coordination with cooperating agencies, not only commenters. The comments were approved on a motion by Commissioner Dahl with second by Commissioner Allan.

- b. The U.S. Department of the Navy's Final Environmental Impact Statement (FEIS) for the Fallon Range Training Complex (FRTC) Modernization.** Vinson informed the Board that the FEIS had been published and comments were submitted by the Association in line with previous comments approved by the Board, which were included in the agenda packet. He informed the group that the Governor's office had submitted an official response to the Navy and the Record of Decision is expected on February 24th. Commissioner Dahl inquired as to if compensation for grazers was included and it was noted that it was requested that the Navy defer to the Taylor Grazing Act but that no formula for compensation has been released. Vinson noted that going forward it will be important to communicate with the Delegation and that official requests had been made to adopt the Nevada Consolidated Proposal. No action was taken.
 - c. Other Updates from the NACO Public Lands and Natural Resources Subcommittee.** President French informed the group that the BLM would be updating their grazing regulations and there would be an opportunity for the submission of comments. He also informed the Board that Waters of the US had been removed as a standing agenda item. Other items discussed included Greater and Bi-State Sage Grouse and Wild Horses and Burro's, including the upcoming meeting of the BLM's Advisory Board on April 20th in Reno. Colby informed the Board that the BLM was due to release their Draft Environmental Impact Statement in response to the October 2019 decision out of federal Court in Idaho to enjoin the 2019 plans for Greater Sage Grouse, opening a 45-day comment period. He also informed the Board that the Sagebrush Ecosystem Council would be meeting the following week and Commissioner Goicoechea, who chairs the Council encouraged attendance at the meeting.
- 16. NACO Committee of the Emeritus Update.** Past President Waits reminded the Board that the next workshop on Transparency in Government would take place on April 10th and the next meeting of the Committee would be held in March.
 - 17. National Association of Counties and Western Interstate Region Board Member Updates.** Commissioner Higbee informed the Board that the next meeting of both Boards would take place at the upcoming Legislative Conference in Washington DC. He also informed the Board that he intended to introduce a resolution in a subcommittee regarding federalism and returning some powers to the states.
 - 18. NACO Board Member Updates.** Updates were given by members of the Board on activities within their counties.
 - 19. Public Comment.** Nate Helton from Senator Rosen's office was introduced, and the Board was informed that he would be taking over some rural outreach duties for the Senator. Commissioner Lister brought up CDBG funding and item 9 was reopened on a motion by the Commissioner with second by Commissioner Higbee. The remainder of the discussion and actions taken are addressed in item 9 above.

The meeting was adjourned at 12:10 p.m.