

# MINUTES

## MEETING OF THE BOARD OF EXAMINERS

August 11, 2010

The Board of Examiners met on August 11, 2010, in the Annex on the second floor of the Capitol Building, 101 N. Carson St., Carson City, Nevada, at 10:00 a.m. Present were:

### **Members:**

Governor Jim Gibbons  
Attorney General Catherine Cortez Masto  
Secretary of State Ross Miller  
Clerk Andrew K. Clinger

### **Others Present:**

Jason Holm, Department of Health and Human Services, Division of Welfare and Supportive Services  
Karen Daly, Department of Public Safety  
Helene Robinson, Attorney General's Office  
Bob Cooper, Attorney General's Office  
Renee Olson, Department of Employment, Training and Rehabilitation  
Mike Pillon, Builders Association Northern Nevada  
Kevin Dick, University of Nevada, Reno  
Erin Seward, Department of Health and Human Services  
Dale Vacututti, Department of Health and Human Services  
Gene Columbus, Department of Corrections  
Kimberlee Tarter, Department of Administration, Purchasing Division  
Miles Celio, Office of the Military  
Cindy Jones, Department of Employment, Training and Rehabilitation  
Ardell Galbreth, Department of Employment, Training and Rehabilitation  
Brenda Ford, Department of Employment, Training and Rehabilitation  
Sherri Barkdull, Department of Business and Industry, Manufactured Housing Division  
Jim DeProse, Department of Business and Industry, Manufactured Housing Division  
Hatice Gecol, Renewable Energy and Energy Efficiency Authority  
Tom MacDiarmid, Department of Education  
Michael Lynch, Department of Business and Industry, Division of Insurance  
Johnan Morrison, Nevada Highway Patrol  
Tony Almaraz, Nevada Highway Patrol  
Tammy Moffitt, Department of Employment, Training and Rehabilitation  
Katie Armstrong, Attorney General's Office  
Jim Spencer, Attorney General's Office  
Jeff Mohlenkamp, Department of Corrections  
Tami Beasley, Department of Taxation  
Joy Miller, Department of Business and Industry, Division of Insurance  
Greg Weyland, Department of Education  
Dorrie Kingsley, Department of Health and Human Services, Division of Health Care Financing and Policy

Janice Prentice, Department of Health and Human Services, Division of Health Care Financing  
and Policy

Steve George, Treasurer's Office

**Press:**

Sean Whaley, Nevada News Bureau

Ed Vogel, Las Vegas Review Journal

Geoff Dornan, Nevada Appeal

Sandy Chereb, Associated Press

**\*1. APPROVAL OF THE JULY 13, 2010 BOARD OF EXAMINERS' MEETING MINUTES**

**Clerk's Recommendation: I recommend approval.**

**Motion By: Attorney General                      Seconded By: Secretary of State                      Vote: 3-0**

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**Comments:**

**Governor:** Good morning everyone. The Board of Examiners for the State of Nevada will come to order. This is the location, date, and time set specifically for the Board. We have a rather robust agenda today as well and we will begin with agenda item number 1, approval of the July 13, 2010 Board of Examiners meeting minutes. Mr. Clerk please note for the record the presence of all Board members. Any comments or questions regarding number 1?

**Attorney General:** Move for approval.

**Secretary of State:** Second.

**Governor:** It has been moved for approval by the Attorney General, seconded by the Secretary of State. Any comments or questions with regard to the motion? Hearing none, all those in favor signify by saying aye. Let the record reflect agenda item number 1 passed.

**\*2. REQUEST TO WRITE OFF BAD DEBT**

**A. Department of Public Safety – Records and Technology Division - \$410.00**

Pursuant to NRS 353C.220 the Records and Technology Division has taken the necessary action to collect debt pertaining to outstanding Civil Applicant Background Checks. The Division is requesting approval to write-off outstanding debts owed by the Department of Employment, Training, and Rehabilitation (DETR) which exceed \$50.00. The total amount of this request is \$410.00.

**Clerk's Recommendation: I recommend approval.**

**Motion By:    Seconded By:    Vote:**

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**Comments:**

**Governor:** Move to agenda item number 2 which is a request to write off bad debt, Mr. Clerk.

**Clerk:** Thank you Governor. It has been requested by the department that this item be withdrawn at this time.

**Governor:** Comments or questions?

**\*3. STATE VEHICLE PURCHASE**

Pursuant to NRS 334.010, no automobile may be purchased by any department, office, bureau, officer or employee of the State without prior written consent of the State Board of Examiners.

**A. Department of Public Safety – Highway Patrol Division - \$1,717,127.00**

The Highway Patrol Division is requesting the authority to purchase 63 replacement vehicles not to exceed \$1,717,127.00. In the 2009-2011 budget cycles NHP requested funding to replace fleet vehicles which were approved during the 2009 Legislative Session. The replacement vehicles will replace those that have exceeded the 105,000 mile threshold. Not all vehicles may be replaced at the same time, but at the point the vehicle has reached its life expectancy.

**Clerk's Recommendation: I recommend approval.**

**Motion By: Secretary of State                      Seconded By: Attorney General                      Vote: 3-0**

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**Comments:**

**Governor:** We move on to agenda item 3 which is state vehicle purchase, Mr. Clerk.

**Clerk:** Thank you Governor. The requests before the Board today, items 3A, B, C and D, these are requests from various agencies for vehicle purchases in the amount of \$1,826,163.00. The Department of Public Safety, Highway Patrol Division is requesting the authority to purchase 63 vehicles in the amount of \$1.7 million. The Highway Safety Grants section of the Department of Public Safety, is requesting approval to purchase 2 vehicles. The Department of Wildlife is requesting one vehicle, and the Department of Information Technology is requesting one vehicle. Governor do you desire to take these items individually or in one motion?

**Governor:** Is there any desire by any member of the Board to consider individually the requests for vehicle purchases?

**Secretary of State:** I move for approval of agenda items 3A, B, C and D.

**Attorney General:** Second the motion.

**Governor:** It has been moved for approval for all of the vehicle purchases. Any comments or questions with regard to the motion? Hearing none, all those in favor signify by saying aye. Let the record reflect that agenda item number 3 passed.

**B. Department of Public Safety – Highway Patrol Division – Highway Safety Grants - \$46,636.00**

The Highway Safety Grants Division is requesting the authority to purchase one replacement vehicle and one new vehicle for a total of \$46,636.00. The purpose of the replacement vehicle is to replace an existing vehicle which has reached the 105,000 mile threshold. The new vehicle was legislatively approved for an employee who is currently utilizing a vehicle from the Nevada Highway Patrol.

**Clerk's Recommendation: I recommend approval.**

**Motion By:    Seconded By:    Vote:**

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**Comments:**

**C. Department of Wildlife – Administration - \$27,507.00**

The Department of Wildlife is requesting authority to purchase one new vehicle in the amount of \$27,506.25. They will be able to utilize U.S. Fish and Wildlife hunter education grant funds for the purchase of a new vehicle. The vehicle will be used by the Statewide Coordinator for the Hunter Education Program.

**Clerk’s Recommendation: I recommend approval.**

**Motion By:** \_\_\_\_\_ **Seconded By:** \_\_\_\_\_ **Vote:** \_\_\_\_\_

**Comments:**

**D. Department of Information Technology – Network Transport Services Unit - \$34,893.00**

DoIT is requesting approval to purchase a replacement vehicle in FY 2011. The vehicle will be used to transport tools and equipment to various mountaintop sites throughout the state. The vehicle being replaced has over 162,000 miles and is seven years old.

**Clerk’s Recommendation: I recommend approval.**

**Motion By:** \_\_\_\_\_ **Seconded By:** \_\_\_\_\_ **Vote:** \_\_\_\_\_

**Comments:**

**\*4. SALARY ADJUSTMENTS**

**A. Distribution of Salary Adjustments to Departments, Commissions and Agencies, pursuant to Chapter 391, Senate Bill 433, Sections 6, 7, 8 of the 2009 Legislative Session.**

The 2009 Legislative Session made appropriations from the General Fund and the Highway Fund to the Board of Examiners to meet certain salary deficiencies for fiscal year 2010 and 2011 that might be created between the appropriated money of the respective departments, commissions, and agencies and the actual cost of the personnel of those departments, commissions, and agencies that are necessary to pay for salaries. Under this legislation, the following amounts from the General Fund and/or Highway Fund are recommended:

<b>BA#</b>	<b>BUDGET ACCOUNT NAME</b>	<b>GENERAL FUND ADJUSTMENT</b>	<b>HWY FUND ADJUSTMENT</b>
3715	Southern Nevada Correctional Center	\$898	
3716	Warm Springs Correctional Center	\$91,475	
3717	Northern Nevada Correctional Center	\$170,700	
3724	Northern Nevada Restitution Center	\$4,600	
3747	Ely Conservation Camp	\$5,509	
3759	Lovelock Correctional Center	\$32,910	
3223	Office of State Health Administration	\$8,185	
	<b>Total</b>	<b>\$314,277</b>	

**Clerk's Recommendation: I recommend approval.**

**Motion By:** Secretary of State      **Seconded By:** Attorney General      **Vote:** 3-0

**Comments:**

**Governor:** We move on to agenda item number 4 which are salary adjustments, Mr. Clerk.

**Clerk:** Thank you Governor. The request before the Board today is to allocate \$314,277.00 from the Board of Examiners salary adjustment account. There is a difference between the amount recommended in the Governor's budget and the amount approved by the Legislature in the last session. This is for closing out fiscal year 2010.

**Governor:** And the balance remaining after we adjust for these furloughs in the account is what?

**Clerk:** That's actually item number 5, Governor, and I handed out a sheet for that one.

**Governor:** Okay, I was reading five and not four. Any comments or questions with regard to agenda item number 4 salary adjustments.

**Secretary of State:** Move for approval.

**Attorney General:** Second the motion.

**Governor:** Moved by the Secretary of State for approval, seconded by the Attorney General. Any comments or questions? Hearing none, all those in favor signify by saying aye. Let the record reflect that agenda item number 4 has passed.

**\*5. FURLOUGH ADJUSTMENTS**

**A. Distribution of Furlough Exemption Funds to Departments, Commissions and Agencies, pursuant to Chapter 391, Senate Bill 433, Sections 7 and 8 of the 2009 Legislative Session.**

The 2009 Legislative Session made appropriations from the General Fund and the Highway Fund to the Board of Examiners to meet certain salary deficiencies for fiscal year 2010 and 2011 that might be created between the appropriated money of the respective departments, commissions, and agencies and the actual cost of the personnel of those departments, commissions, and agencies that are necessary to pay for unpaid furlough leave for critical positions. Under this legislation, the following amounts from the General Fund and/or Highway Fund are recommended:

<b>BA#</b>	<b>BUDGET ACCOUNT NAME</b>	<b>GENERAL FUND ADJUSTMENT</b>	<b>HWY FUND ADJUSTMENT</b>
3718	Nevada State Prison	\$42,306	
3725	Three Lakes Valley Conservation Camp	\$12,605	
3739	Wells Conservation Camp	\$19,763	
3747	Ely Conservation Camp	\$21,971	
3752	Carlin Conservation Camp	\$18,622	
	<b>Total</b>	<b>\$115,267</b>	

**Clerk's Recommendation: I recommend approval.**

**Motion By:** Secretary of State

**Seconded By:** Attorney General

**Vote:** 3-0

**Comments:**

**Governor:** We move now to furlough adjustments, Mr. Clerk.

**Clerk:** Thank you Governor. This is a request of the Board to allocate \$115,267.00 to the Department of Corrections for the furlough exceptions that were granted for fiscal year 10'. This will close out fiscal year 10' for the Department of Corrections. I handed out a separate sheet to each of the Board members that outlines the amounts that have previously been allocated by the Board and the amount that is being requested to be allocated today. In total, if the Board approves this request, the Board will have allocated \$2,331,660.00 to the Department of Corrections for the furlough exceptions that were in place for fiscal year 2010. This leaves a balance in the furlough account, if you will, of \$1,668,340.00.

**Governor:** Comments or questions?

**Secretary of State:** Move for approval.

**Attorney General:** Second.

**Governor:** Moved by the Secretary of State for approval, seconded by the Attorney General. Any comments or questions with regard to the motion? Hearing none, those in favor signify by saying aye. Let the record reflect that agenda item number 5 has passed.

## **\*6. LEASES**

Four statewide leases were submitted to the Board for review and approval.

**Clerk's Recommendation:** I recommend approval.

**Motion By:** Attorney General                      **Seconded By:** Secretary of State                      **Vote:** 3-0

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**Comments:**

**Governor:** We move on now to number 6 leases. Mr. Clerk it looks like there are four leases before the Board today.

**Clerk:** That is correct, Governor we have four leases for the Board's consideration this morning. I do need to point out and ask the Deputy AG, on item number 2 under the leases, Governor this is the lease between the Office of the Military in the amount of \$152,196.00, on the agenda the term of the lease states that it is between August 1, 2010 and July 31, 2011, that actually should be 2015 and I just want to make sure from the Deputy AG that that does not create a problem with open meeting law requirements.

**Deputy AG:** Thank you. Although there is the minor technical error, I think it still complies with the Open Meeting Law and it's fine.

**Governor:** Alright, so the lease on number 2, the term of the lease will read July 31, 2015.

**Clerk:** That is correct.

**Governor:** Are there any comments or questions with regard to agenda item 6 leases?

**Attorney General:** Move for approval.

**Secretary of State:** Second.

**Governor:** Moved by the Attorney General for approval, seconded by the Secretary of State. Comments or questions with regard to the motion? Hearing none, those in favor signify by saying aye. Let the record reflect agenda item 6 has passed.

## **\*7. CONTRACTS**

Fifty-two independent contracts were submitted to the Board for review and approval.

**Clerk's Recommendation: I recommend approval.**

**Motion By: Secretary of State                      Seconded By: Attorney General                      Vote: 3-0**

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**Comments:**

**Governor:** Move now to agenda item number 7 contracts, Mr. Clerk.

**Clerk:** Thank you Governor, there are fifty-two independent contracts for the Board's review and consideration this morning. I have no changes to any of those contracts.

**Governor:** Comments or questions with regard to contracts?

**Secretary of State:** Is there someone present from the Treasurer's Office?

**Steve George:** Good morning, Steve George Chief of Staff for the Treasurer's Office.

**Secretary of State:** With respect to the contracts related to unclaimed property, it looks like most if not all of these are out of state firms, was there any possible contractors in state?

**Steve George:** Yes, we go out to an RFP over the year on that and there presently are no contractors in state who would participate in one of those types of buyouts. It's not a normal audit where you can use a CPA, you have to use a specialized firm who has specialized knowledge, so yes we would contract with out of state.

**Governor:** I had one question I would like to, to the Attorney General's Office, on contractor Terri Sully. This contract apparently, if my understanding is correct, began in 2009 to assist in the training of an individual for accounts and budgeting with the Attorney General's Office. This person has been there now for what looks like a year and now we are going to extend the same contract for the same person until 2012, which is another two years. We are going to increase the salary of \$25 to \$40 per hour, is there somebody that can address why we need to be doing this, training one individual for more than a year?

**Attorney General:** Yes, I can address that Governor. Actually when we went out to hire this, Terri was our Chief Financial Officer and she left our office right at the end of the last legislative session and we did not hire anybody for about a two month period. So we brought her back to

assist our office with the financial... then when we brought the new person on, we kept her on intermittently to provide training. Under the contract she has not been there providing training every single day so we have just brought her back to help with the closings of this budget but other than that she is not there 24/7, she is not hired under the contract 24/7, this is the last, the only time we will increase that amount and ask for any money and the contract will terminate within those two years. But it is not something where she is actually being hired 24/7.

**Governor:** Well first of all she has been training this person for now almost a year, when do you expect this person to be up to speed?

**Attorney General:** So let me jump back. She did provide training when initially when the person first came on, she is no longer providing training, what she is doing is assisting us with the closing of budgets as we move through this budget cycle. Because we are short staffed with the furloughs I have not been able to hire additional people within my department of budget to handle our budget so she is temporarily coming in to assist particularly with our Medicaid fraud unit that is actually being audited right now by LCB. So she has been helping temporarily some of the work programs. So she is no longer providing training, that's why I increased her salary; she is actually acting as an ASO II or III. But she is not going to be here long term, she is just for this short project that is it. And she won't be hired after this date.

**Governor:** Any other questions or comments on any of the contracts? Is there a motion for approval of fifty-two contracts under agenda item number 7?

**Secretary of State:** Moved.

**Attorney General:** Second.

**Governor:** Moved by the Secretary of State, seconded by the Attorney General. Comments or questions with regard to the motion? Hearing none, those in favor signify by saying aye. Let the record reflect that agenda item number 7 has passed.

## **\*8. MASTER SERVICE AGREEMENTS**

Two master service agreements were submitted to the Board for review and approval.

**Clerk's Recommendation:** I recommend approval.

**Motion By:** Secretary of State                      **Seconded By:** Attorney General                      **Vote:** 3-0

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**Comments:**

**Governor:** We move now to agenda item number 8 which are master service agreements, Mr. Clerk we have two master service agreements before us.

**Clerk:** That is correct Governor. I have no changes to those two items.

**Governor:** Comments or questions from any member of the Board with regard to any of the items under agenda item number 8? Hearing none, is there a motion?

**Secretary of State:** Move for approval.

**Attorney General:** Second.

**Governor:** It has been moved by the Secretary of State, seconded by the Attorney General. Any comments or questions with regard to the motion? Hearing none, those in favor signify by saying aye. Let the record reflect that the master service agreements under agenda item 8 have passed.

## **9. INFORMATION ITEM**

### **A. Department of Conservation and Natural Resources – Division of State Lands**

Pursuant to NRS Chapters 111 and 355, the Division of State Lands is required to provide the Board of Examiners quarterly reports of lands or interests in lands transferred, sold, exchanged or leased under the Tahoe Basin Act program and real property or interests in real property transferred under the Lake Tahoe Mitigation Program. This submittal reports on program activities for the fiscal quarter ending June 30, 2010 (reference NRS 321.5954).

**Governor:** Move on now to agenda item number 9 which is information items. Mr. Clerk, 9A is the Department of Conservation and Natural Resources.

**Clerk:** Thank you Governor. This is a report from the Division of State Lands. This is a report on the Tahoe Basin Act and the Lake Tahoe Mitigation Program. The only information here to present to the Board is under the Tahoe Basin Act there was an acquisition of land in this quarter. It was for a quarter acre parcel in Incline Village, there was no cost to the State. This parcel was categorized as an unbuildable lot and was owned by the Washoe County Treasurer.

**Governor:** Comments or questions with regard to any of the information presented under agenda item 9A?

### **B. 4<sup>th</sup> Quarter Overtime Reports**

**Governor:** Hearing none we will move to agenda item 9B, quarterly overtime reports, Mr. Clerk.

**Clerk:** Thank you Governor, this is the 4<sup>th</sup> quarter of the overtime for fiscal year 2010. I will just point out for the Board, there are two sections to this, there is the 'Overtime & Comp.' and then the 'Holiday Pay' so there is actually two reports listed in your packet today. On the Overtime & Comp. for fiscal year 2010, that overtime was reduced by 39.7% compared to fiscal year 2009. That is a savings of \$14,095,484.00 over fiscal year 09'. On the Holiday Pay for fiscal year 2010 was 2.2% lower than fiscal year 2009, with a savings of \$145,654.00.

**Governor:** O.k., Any other comments or questions with regard to 4<sup>th</sup> quarter overtime reports under agenda item 9B?

## **10. BOARD MEMBERS' COMMENTS/PUBLIC COMMENT**

**Governor:** Move to agenda item 10 which is Board member comments. Any member of the Board wishing to make a comment at this time? Hearing none, any member of the public wishing to make a comment before the Board at this time?

**\*11. ADJOURNMENT**

**Motion By: Attorney General                      Seconded By: Secretary of State                      Vote: 3-0**

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**Comments:**

**Governor:** Hearing none, we move to agenda item number 11 which is adjournment. Is there a motion?

**Attorney General:** Move to adjourn.

**Secretary of State:** Second.

**Governor:** Attorney General has moved for adjournment, seconded by the Secretary of State. All those in favor signify by saying aye.

**Respectfully submitted,**

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ANDREW K. CLINGER, CLERK

**APPROVED:**

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GOVERNOR JIM GIBBONS, CHAIRMAN

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ATTORNEY GENERAL CATHERINE CORTEZ MASTO

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SECRETARY OF STATE ROSS MILLER