

MINUTES

MEETING OF THE BOARD OF EXAMINERS

January 13, 2015

The Board of Examiners met on January 13, 2015, in the Guinn Room on the second floor of the Capitol Building, 101 N. Carson St., Carson City, Nevada, at 10:00 a.m. Present were:

Members:

Governor Brian Sandoval
Attorney General Adam Paul Laxalt
Secretary of State Barbara K. Cegavske
Julia Teska, Clerk

Others Present:

Mike Willden, Department of Health and Human Services
Sean McDonald, Department of Motor Vehicles
Ann Yukish-Lee, Department of Motor Vehicles
Izzy Hernandez, Department of Motor Vehicles
Julie Kotchevar, Department of Health and Human Services, Aging and Disability Services
Todd Myler, Department of Health and Human Services, Aging and Disability Services
Scott Sisco, Department of Corrections
Cheryl Tyler, Office of the Military
Peter Barton, Department of Tourism and Cultural Affairs, Museums and History
Brad Towle, Department of Health and Human Services, Public and Behavioral Health
Chris Schneider, Department of Business and Industry, Financial Institutions
Carrie Edlefsen, Department of Tourism and Cultural Affairs, Museums and History
Tonya Laney, Department of Motor Vehicles
Vicki Leigh, Department of Business and Industry
Ken Mammen, Department of Transportation
Bonnie Long, Department of Health and Human Services, Director's Office
Katie Armstrong, Office of the Attorney General
Robert Martinez, Department of Conservation and Natural Resources, Water Resources
Kelly Lafayette, Department of Administration, Public Works Division, Leasing Services
Teri Preston, Department of Administration, Public Works Division, Leasing Services
Keith Wells, Department of Administration, Fleet Services Division
Mandi Davis, Legislative Council Bureau
Eric Johnson, Department of Conservation and Natural Resources, State Parks
Jennifer Idema, Department of Conservation and Natural Resources, State Parks
Leah Lamborn, Department of Health and Human Services, Health Care, Financing and Policy
Steve Fisher, Department of Health and Human Services, Welfare and Supportive Services
Louise Bush, Department of Health and Human Services, Welfare and Supportive Services
Sue Smith, Department of Health and Human Services, Welfare and Supportive Services
Melissa Costa, Department of Employment, Training and Rehabilitation, Rehabilitation
Melanie Mason, Department of Employment, Training and Rehabilitation
Clark Leslie, Office of the Attorney General

Kathy Wynands, Department of Employment, Training and Rehabilitation
Khadijeh Anooshehpoor, Department of Education
Mindy Martini, Department of Education
Lori Botelho, Department of Education
Marva Cleven, Department of Education
Dave Gustafson, Department of Administration, Enterprise IT Services
Patrick Cates, Department of Wildlife

1. PUBLIC COMMENTS

Comments:

Governor: Good morning, ladies and gentlemen. Happy New Year. I will call the meeting of the Board of Examiners to order. I'd like to welcome our two new members, the Attorney General and the Secretary of State. I look forward to working with you and appreciate your input and hard work.

Attorney General: Thank you.

Governor: So let's move on to Agenda Item No. 1, Public Comment. Is there any member of the public present in Carson City that would like to provide public comment to the Board? Is there anyone present in Las Vegas that would like to provide public comment to the Board? And can you hear us in Las Vegas?

Unidentified Male: Yes. We can hear you, Governor. No public comment here.

Governor: Thank you very much.

*2. FOR POSSIBLE ACTION – APPROVAL OF THE DECEMBER 9, 2014 BOARD OF EXAMINERS' MEETING MINUTES

Clerk's Recommendation: I recommend approval.

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

Comments:

Governor: Okay. Agenda Item No. 2 is the Approval of the December 9, 2014 Board of Examiners' Meeting Minutes. I've had an opportunity to review the Minutes, and they accurately reflect what happened that day. Obviously we have two new members, and in order for them to be able to Agenda item and get it passed, I'm going to represent to you again that it does accurately represent what happened that day. Are there any questions?

Secretary of State: No questions.

Governor: If there are none, the Chair will accept a motion for approval.

Secretary of State: I move for approval.

Governor: The Secretary of State has moved for approval of Agenda Item No. 2. Is there a second?

Attorney General: Second.

Governor: Attorney General has seconded the motion. Any questions or discussion? All in favor say aye.

Group: Aye.

Governor: Motion passes 3- 0.

***3. FOR POSSIBLE ACTION – 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.

AGENCY NAME	# OF VEHICLES	NOT TO EXCEED:
Department of Administration – Division of Enterprise IT Services	1	\$35,583
Department of Administration – Fleet Services Division	1	\$26,500
Department of Conservation and Natural Resources – Division of Water Resources	1	\$25,084
Total	3	\$87,167

Clerk's Recommendation: I recommend approval.

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

Comments:

Governor: We'll move onto State Vehicle Purchase, Agenda Item No. 3. Ms. Teska.

Clerk: Thank you, Governor. Item No. 3 has three state vehicle purchase requests for your consideration today. Since we do have new members to the Board, it is required under statute that agencies obtain BOE approval before purchasing state vehicles. The first item on there is a vehicle for Enterprise IT Services. It's for their access and maintenance of the -- I believe it's the Mountain Top Repeaters. It's our radio system and microwave system. That was included in their legislatively-approved budget. The second item is a Fleet Services Division vehicle that is being replaced out of insurance recoveries and reserves because it was totaled in an accident. And the third is a vehicle request from the Department of Conservation and Natural Resources, Division of Water Resources that was not included in their budget but is being funded through a FEMA grant. So if you have questions.

Governor: Thank you, Ms. Teska. Questions, Board Members?

Attorney General: No questions.

Governor: If there are no questions, the Chair will accept a motion to approve the state vehicle purchase as presented in Agenda Item No. 3.

Attorney General: Motion to approve.

Secretary of State: Second.

Governor: The Attorney General has moved for approval. The Secretary of State has second the motion. Any questions or discussion on the motion? All in favor say aye.

Group: Aye.

Governor: Motion passes 3 - 0.

***4. FOR POSSIBLE ACTION – REQUEST FOR ALLOCATION FROM THE STATUTORY CONTINGENCY ACCOUNT**

A. Office of the Secretary of State – \$356,793

Pursuant to NRS 293.253, the Office of the Secretary of State requests an allocation of \$356,793 from the Statutory Contingency Account to reimburse counties for their ballot question publication costs.

Clerk's Recommendation: I recommend approval.

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

Comments:

Governor: We will move onto Agenda Item No. 4, Request for an Allocation from the Statutory Contingency Account from the Office of the Secretary of State. Ms. Teska.

Clerk: Thank you, Governor. Under NRS 293 253, the Secretary of State's office requests funds in the amount of \$356,793 from the Statutory Contingency Account to reimburse counties for the cost of ballot questions on the most recent election. Just to give you an update since the Statutory Contingency Account has been quite a topic of conversation this biennium, we've had to replenish it a few times because this is also the same account where we pay outside counsel as well as some post-conviction relief claims are the big draws on this account. Right now we have a balance, including the claims pending in the item before you, of about \$770,000 in the account. We're projecting, including the post-conviction relief claims and our best estimate depending on the litigation with San Francisco, about \$1.7 million worth of additional costs this year, and we did include a request, or we are including a request for a million dollars to replenish this account in the budget. So we do project right now -- we would be projecting a \$965,000 shortfall. We have requested a million dollars to replenish that, so we will end up right about zero at the end of the year.

Governor: Thank you, Ms. Teska. Questions or comments from Board members? If there are none, the Chair will accept a motion for approval of the request for allocation from the Statutory Contingency Account in the sum of \$356,793.33.

Attorney General: Move to approve.

Secretary of State: I second.

Governor: The Attorney General has moved to approve. Secretary of State has seconded the motion. Any questions or discussion on the motion? Hearing none, all in favor say aye.

Group: Aye.

Governor: Motion passes 3 - 0.

***5. FOR POSSIBLE ACTION – AUTHORIZATION TO APPROVE A PROVIDER AGREEMENT**

A. Department of Health and Human Services – Aging and Disability Services Division

The Aging and Disability Services Division is requesting Board of Examiners’ approval of the following provider agreement forms to enable them to enter into an agreement with providers.

- A. Autism Treatment Assistance Program**
- B. Nevada Early Intervention Services**

Clerk’s Recommendation: I recommend approval.

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

Comments:

Governor: We will move onto Agenda Item No. 5, Authorization to Approve a Provider Agreement. Ms. Teska.

Clerk: Thank you, Governor. We have two provider agreement requests today, requests to approve provider agreements. The actual forms are included in your packet. They are both for the Department of Health and Human Services Aging and Disability Services. One is for Autism Treatment Assistance Program services, and the other is for Early Intervention Services, and there are representatives from the agency here if anyone has any questions.

Governor: Just as importantly, Ms. Teska, perhaps you could lay down a record as to why we do this in terms of efficiency and being able to get treatment faster.

Clerk: Absolutely. Provider agreements are slightly different from a contract in that really we're a party to the agreement, but the agreement is largely between the person receiving the services and the provider of the services. And we're the funding agent for that. And in the case of -- you

will see these consistently through Health and Human Services and also we get a number of them from employment training and rehabilitation. And these are basically, instead of each individual agreement for the provision of these services between a client and a service provider coming to this body or having to be done as an individual formal contract, we approve these provider agreements that have standard language in them to allow the flow of services to the clients as quickly as possible, as well as it also keeps from there being literally thousands of these items coming before you on a regular basis.

Governor: Yeah. And for me another benefit is there are individuals who may be waiting 30, 60 days for services because they have to wait until the process goes through, and that's why I mentioned efficiency allows the services to be provided in a more expeditious matter. But why don't we have these individuals, if you would identify yourself for the record.

Kotchevar: Good morning. My name is Julie Kotchevar. I'm the Deputy Administrator of Aging and Disability Services Division. Provider agreements allow us to create a pool of providers which is very important when you consider most of the services are provided in the home, and it would be a good idea to have choice on what provider you would like coming into your home. So they allow us to create a pool of providers where our consumers can select which one best meets their needs and that they both are willing to welcome into their home without having to come, like they said, 60, 90 days ahead of time where someone would be waiting for crucial services simply because we had to get a contract through the process. This allows us to do that without specifically also tying funds. We create a pool of providers without guaranteeing that a provider will have a certain number of people, again, largely to enable consumer choice. So these are critical as far as we're concerned in providing that level of choice to the citizens that we serve.

Secretary of State: Could I ask a question?

Governor: Of course.

Secretary of State: Thank you.

Governor: Madam Secretary of State.

Secretary of State: Thank you. So the parents are able to interview and find who is the best suitable service provider for their child, and if there is an issue, they can change?

Kotchevar: Yes.

Secretary of State: They don't have to stay with --

Kotchevar: They absolutely can change, and we also provide continuous quality assurance. We certify and thoroughly investigate all of the providers, and we do it ongoing to make sure that the services they're providing are timely, appropriate, and they meet the needs of families. And if we have family complaints, then we can terminate the agreement and change the family depending on the severity of the complaint.

Secretary of State: And if I might, Governor, just one. How many providers do we have in the State of Nevada?

Kotchevar: It depends on what service, but we have several hundred provider agreements.

Secretary of State: Oh, wonderful. It's just great news. As someone who has been involved with people with disabilities for a long time, this is wonderful news, so thank you very much. Thank you Governor.

Governor: Thank you.

Attorney General: Could you explain the financial component to it?

Kotchevar: A provider agreement doesn't tie a specific dollar amount like an upper payment limit on a contract. The contract would tie us to that specific amount. How we manage is with caseloads. So if a parent selects a particular provider, then we allocate that money to and pay that provider based on an invoice. Whereas a contract you have to put dollar amount, this says we can pay up to \$6,000 for this year. That obligates that money. A provider agreement doesn't do that. We don't obligate it until we get an invoice and then we reimburse.

Attorney General: Got it. Thank you.

Governor: Sir, did you want to add anything? I didn't want you to come up to the table for nothing, so --

Myler: She did a great job.

Kotchevar: This is Todd Myler, my ASO.

Attorney General: Got it. Thank you.

Secretary of State: Very good job. Thank you.

Governor: Any further questions with regard to Agenda Item No. 5?

Secretary of State: I move for approval.

Governor: Secretary of State has moved to approve the provider agreements as described in Agenda Item No. 5. Is there a second?

Attorney General: I second.

Governor: Attorney General has seconded the motion. Any questions or discussion? All in favor say aye.

Group: Aye.

Governor: Motion passes 3 - 0.

***6. FOR POSSIBLE ACTION – LEASES**

Six statewide leases 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

Comments:

Governor: We will move onto Agenda Item No. 6, Leases. Ms. Teska.

Clerk: Thank you, Governor. There are six leases for your consideration on the Agenda today. I am requesting that we withdraw Item No. 2. Lease number 2 we're going to bring that forward to the February meeting, but otherwise, we're happy to answer any questions on the remaining leases on the Agenda.

Governor: I have no questions, just a remark, at least with lease number 4. There's \$81,000 worth of savings, and I know because of the improvement in the real estate market that those are getting to be a little more far and in between, but any time we have an opportunity to save money, that's a good thing. Board members, any questions with regard to the leases contained in Agenda Item No. 6? Questions?

Secretary of State: Move for approval.

Governor: Secretary of State has moved for approval of leases 1, 3, 4, 5, and 6. The Attorney General has seconded the motion. Any questions or discussion on the motion? All in favor say aye.

Group: Aye.

Governor: Motion passes 3 - 0.

***7. FOR POSSIBLE ACTION – CONTRACTS**

Twenty-seven 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

Comments:

Governor: Ms. Teska, we'll move onto Agenda Item No. 7, Contracts.

Clerk: Thank you, Governor. There are, I believe, 27 contracts on the Agenda today for your consideration. We've received requests to hear item Contract No. 6, the Department of Education; Item No. 8, which is Health and Human Services, Health Care Financing and Policy;

Item No. 18, which is Conservation and Natural Resources; Item No. 19 which is the Department of Wildlife; Item No. 20, also Department of Wildlife; Item 21, which is Conservation and Natural Resources State Parks; Item 24 which is Department of Motor Vehicles, and Items 26 and 27 which are Employment Training, and Rehabilitation.

Governor: Thank you. We'll commence with Contract No. 6, which is the Department of Education. Good morning.

Martini: Good morning. I'm Mindy Martini, Deputy Superintendant of Business Services at the Department of Education. Next to me I have Marva Cleven who is a Director of Special Education at the Department. This particular item requests -- at the Department of Education we collect special education data that's (inaudible) data, local plan data, and so on. And this is as part of our federal program, the Individuals with Disabilities Act, IDA. The mandated data collection is very specific, very technical. Vicky Huffman (sp?) which is the person who we're asking to contract with has performed the task of data collection for us for 21 years, many years. She has worked with the U.S. Department of Ed over time and has worked with all of our school districts over time to help them collect the data. Through the contract you'll see that there are several tasks from Ms. Huffman to complete. She collects all -- any special ed data, and that includes number of students with disabilities by type of disability. She collects data with regard to disciplinary (inaudible). She does all the reporting for us. At the Department of Education we do not have the capacity to do this electronically, and she has that capacity. What our anticipation though is, and this is exciting, over the next two years we are hoping to transition these services in-house as changes over with student information systems at the district level, and then we are hoping to have a state-level student information system that will help us to eventually transition this type of data collection into the department. So we're happy to answer any questions that you may have.

Governor: Okay. Questions from Board Members. Did you hold this one out?

Secretary of State: No.

Attorney General: I did.

Governor: Okay. Mr. Attorney General.

Attorney General: So does this pay for her, or is there software or some sort of system that she has to employ to use?

Cleven: Marva Cleven, the State Director of Special Education. This pays for her services. She works directly with our data department to upload into Eden (sp?) and to (inaudible) and to get everything to the federal level, but this is basically just for her services alone, not the data system.

Attorney General: And it's all coming from federal funds?

Cleven: Correct. It comes from our Part B allocations.

Attorney General: Okay. No other questions.

Governor: Any other questions Contract No. 6?

Secretary of State: Move for approval.

Governor: Well, not yet. We'll take them all as one --

Secretary of State: Okay. Oh, you're going to take them all together? Okay.

Governor: Yes. Thank you.

Secretary of State: All right.

Governor: Thank you very much.

Cleven: Thank you.

Governor: So next is Contract No. 8, DHHS, and the Clark County Treasurer.

Lamborn: My name is Leah Lamborn. I'm with the Division of Healthcare and Financing Policy, and this contract is a contract between the Division and the State and Clark County for voluntary contributions that the state receives for certain supplemental payment programs that the Division operates. Supplemental payment are for a number of things, either upper payment (inaudible) program or graduate medical education. In these payments, basically it pays the gap between what Medicaid has reimbursed for in-patient -- this particular one is in-patient hospital services, the gap of what Medicaid pays compared to what Medicare would have paid. And basically the State receives a state net benefit from these programs. It's considered a voluntary contribution. So for example, if the supplemental payment is \$100, the federal portion of that is 65 percent, \$65. The non-federal share would be \$35. Clark County, or other counties that fund the non-federal share of these payments, they contribute basically 50 percent of the payment. So the difference between 35 percent, which is the non-federal share, we retain 15 percent of that. So we charge basically 50 percent of the total payment. The non-federal share is 35 percent. The difference is 15. So the benefit to the State, it's a win-win situation because we are paying the gap and providing supplemental payments to the providers, yet we get a state net benefit from these programs which equates to -- in state fiscal year 2014, we received approximately \$34.6 million in a state net benefit for these programs. We use these funds to offset other Medicaid expenditures, specifically for the aged, blind, and disabled. This program adds yet another enhanced, what we call a managed care enhanced payment, to it where typically before we were only allowed to pay supplemental payments on fee for service claims, and now with this enhanced managed care, we are able to give certain safety net providers what we call a supplemental payment, the upper payment limit. So these will be -- Clark County is going to fund the non-federal share for the enhanced payments through managed care providers organizations for in-patient hospital services, and then behavioral health services. So the Division won't actually receive the state net benefit that we retained. We're going to use that state net benefit basically to pay the non-federal share for our sister agency, Public and Behavioral Health. So we're going to basically get from Clark County, the IGT fund to fund all

of the enhanced payments, and then we'll turn around and provide enhanced payments to our sister agency, Public and Behavioral Health who normally gets a cost-based rate, but for those recipients enrolled in managed care organizations, they're not allowed to receive that cost-based rate. So it kind of makes up the difference for that, and allows them to upper payment limit.

Governor: Did you get all that? At the end of the day, I mean, and this was subject to negotiation. So we went back and forth with Clark County on that 50 percent.

Lamborn: Yes.

Governor: And so it's a negotiated rate. But at the end of the day, when we take that money and put it through the federal government, it generates even more funds for more programming for Nevadans. And if we weren't to do this, how much of a loss would that be?

Lamborn: So for the State it would be that \$34 million that we received. But it's a bigger impact for the providers. They would lose out on -- and I don't have the numbers with me, but the UPL payment for Clark County alone is around \$70 million.

Governor: So it's a win-win-win. It's a win for the State, it's a win for the provider, and a win for the County.

Lamborn: Absolutely.

Governor: Yeah. Any other questions? And in all seriousness, this is probably one of the most complicated areas that we have, but at the end of the day, it's really good for the state.

Lamborn: It is. And we're actually excited to get the enhanced payment through the MCO because before CMS prohibited any type of UPL payments, and this is a mechanism to -- since we're requiring more of the Medicaid recipients to enroll in managed care, the providers were losing out on that upper payment limit, and this is an avenue to provide them the supplemental payment that they would have received previously under fee for service, and for our sister agency, they would have got a cost-based rate. So this helps to alleviate that issue for more people --

Governor: And just another piece of history is we've moved a lot of patients, the clients, from fee for service into managed care which has provided a great amount of savings to the State, but it had that consequence, and this helps mitigate that.

Lamborn: Yes. That is correct.

Governor: Any other questions? Thank you very much. Next is 18, Department of Conservation and Natural Resources in the Overton Power District. If I would have known you were going to be here, I would have wore my ichthus or lapel pin.

Johnson: I've got one just in case you needed one, Governor.

Governor: But in any event, I had asked for this contract to be held because just looking at the brief description, I was wondering why we're replacing power poles. I know that they're within, I think it's Valley Fire.

Johnson: That's correct.

Governor: Yeah. But if you could give me some background.

Johnson: My name is Eric Johnson with the Nevada Division of State Parks. The Administrator with me is Jennifer (inaudible) our ASO for State Parks. This is a non-typical process, and usually the power company is responsible for the power up to the meter.

Governor: Yeah.

Johnson: In this case, State Parks paid for the power line to be installed about 1971, and the power poles started falling basically. We asked for Overton Power to accept an easement, so that became essentially their responsibility to which they declined because Valley of Fire is the only user of that multi-mile power line. So it wasn't cost effective for them to accept ownership of that power line. So that project is eligible for Land and Water Conservation Funds. We're using those funds and matching them with Q1 dollars to complete the project.

Governor: And you're undergrounding them, correct?

Johnson: That's correct. That's to be compliant with the land and water requirements, yes, sir.

Governor: That's an improvement too with regard to --

Johnson: Yes, it is.

Governor: -- the vistas and such for the park.

Johnson: They do stand out. They're somewhat unsightly at what is otherwise a very beautiful park.

Governor: It's a fabulous park. I've got to get my stamp, my passport stamp for --

Johnson: Yes, you do.

Governor: -- for the Valley of Fire. That's all the questions I had. Thank you, Eric.

Secretary of State: Can I ask?

Governor: Yes. Madam Secretary of State.

Secretary of State: I just wanted to -- when we're looking at the bonds, is that state bonding, or is that within your --

Johnson: This is --

Secretary of State: Your county?

Johnson: It's question one state bond issues, yes, ma'am.

Secretary of State: It's a state bond?

Johnson: Yes, ma'am.

Secretary of State: Bonding with the state for --

Johnson: That's correct.

Secretary of State: Okay. That's why I just -- on a lot of these I just need clarification who is the bonding source.

Johnson: No. That's a good question. We're using those bond funds to match the Federal Land and Water dollars that do require a 50/50 match.

Secretary of State: Okay. Thank you, Governor.

Governor: Thank you. Thank you, Mr. Johnson.

Johnson: Thank you.

Governor: Thank you. Next is Contract No. 19, Department of Wildlife and Dyer Engineering Consultants, as well as Contract 20.

Unidentified Male: Good morning.

Governor: Good morning.

Unidentified Male: Would you like an overview?

Governor: Yes, please. Well, since you're here, no, well, actually I think the Attorney General had initially asked to have these withheld, but if you don't have any questions, I'm fine.

Attorney General: Do you want to give us a brief view (inaudible).

Unidentified Male: Sure. I'll give you a little overview. The Dyer Engineering Contract is for Zunino Reservoir. That's south of Elko. We've been doing a lot of work on the reservoir, reconstructing the dam and sealing the bottom. All that work is complete. I'm not sure if they filled it with water yet or not. And this is additional work to create a boat launch and an amp site there. So it should be a really good recreational opportunity in Elko. It should be ready by next summer.

Governor: Are we going to have water?

Unidentified Male: We'll see.

Attorney General: And I think the question I was going to ask was just where, the same as the last --

Secretary of State: Bonding.

Attorney General: Who (inaudible) the bonds? It says 75 percent bonds.

Unidentified Male: They are State bonds. It's Question One bond fund, and the federal portion is federal boating access grants, and you can only use a portion based on how much boating they anticipate, that sort of thing. So that's why it's (inaudible).

Secretary of State: And if I might, Governor.

Governor: Madam Secretary of State.

Secretary of State: Is there a fee that's charged to launch your boats that's included in this?

Unidentified Male: I do not know if they're going to charge a fee. Not to my knowledge.

Secretary of State: Okay. Is that something you could get back to us on if that is going to happen or not?

Unidentified Male: Sure. Absolutely.

Secretary of State: Thank you, Governor.

Unidentified Male: The other contract is with Ducks Unlimited. They're doing improvements to water fowl at Carson Lake and Pasture, Key Pittman Wildlife Management Area and Overton Wildlife Management Area. And if you don't know where those are, those are both in Southern Nevada.

Secretary of State: If I might, Governor.

Governor: Madam Secretary of State.

Secretary of State: Just curious how the fees are coming in for the duck stamps and how is going? Is it doing well?

Unidentified Male: Yeah. Our duck stamp fees are pretty static. I don't remember the number off the top of my head, but they're pretty steady state. Yeah.

Secretary of State: Thank you. Thank you, Governor.

Governor: You're welcome. Any other questions? Thank you, sir.

Unidentified Male: Thank you.

Governor: The next contract is number 21, Department of Conservation and Natural Resources and Char-Pit Sand Harbor.

Johnson: Hello again.

Secretary of State: Hello again.

Governor: Good morning. And Mr. Johnson, I asked this to be held, and I went back and forth, but just only as you recall, I visited up there and you had just opened that gift shop and the concession, and I was just curious is it working to your expectations?

Johnson: Thank you. Eric Johnson, Administrator for Nevada State Parks. The gift shop is adjacent to the Char-Pit concession, and as you will recall, the gift shop is an enterprise fund operated by State parks. It's actually doing very well. It's realizing profits, it's self-sustaining. The Char-Pit next door has been quite a service to the public. One of the changes in this amendment is increasing the authority for the revenue contract because the business is more successful than we had anticipated, and we are receiving more revenue from that than we originally thought.

Governor: Now, does that money, those profits, does that go in the general pot or do you use that exclusively for Sand Harbor?

Johnson: The profits from the Char-Pit is a revenue account, so that goes back into our general fund, if you will. The enterprise fund, I might have to defer to Jennifer or ask her to correct me, is those funds go into our budget account 4165 which is specifically our enterprise fund account which is used to pay for the employees and fund interpretive programs throughout the state. So it's not just Sand Harbor, if that answers your question.

Governor: It does. Any other questions?

Attorney General: And is park revenue as well supporting it, or is it all living off of the concessions?

Johnson: There is no park revenue going toward the gift shop if that's what you're asking, sir. It's self-sustaining gifts from the net profits from the sale of merchandise.

Governor: No. And that was -- just for history purposes, we didn't have those before, and we saw that as an opportunity to generate more income so you're not as reliant on the general fund.

Johnson: That's correct. We no longer need to use our operating money or donations to pay for interpretive programs throughout the state, and there's hundreds of interpretive programs throughout State Parks. So we're very pleased with the success. The parks actually can apply for

a grant to use those funds for, you know, canoe trips, Dutch oven cook-offs, tours, passport printings, et cetera, et cetera.

Governor: And speaking of passports, how many have you issued? I know we're changing --

Johnson: We're in excess of 600, I think, right now. 300 being the day following the launch, so it was a busy day at State Parks that day. It's been quite successful. It seems to be well-received by the public, at least judging by our social media.

Governor: And I don't mean to wander too much, but I was over at REI, and it's not a commercial, Christmas shopping, but will we be making those passports available at the outdoor retailers to that people have an opportunity to get them there? Because there is a little bit of misinformation out there that you actually have to pay for the passport, and I just want to make sure that they're accessible and, you know, some folks may not want to navigate to get them directly through State Parks, but they would like to be able to be at the REIs and the other outdoor --Scheels, or what have you, to be able to get those passports.

Johnson: Yes, sir. We have those. They came in two days ago, the counter displays, so the public is aware of the program. They can take out a passport. We'll have those REI, at Cabela's, at Sportsman's Warehouse, and we hope Bass Pro Shops.

Governor: And that includes Southern Nevada as well?

Johnson: Yes, sir.

Governor: Okay.

Secretary of State: Great.

Governor: All right. Thank you very much.

Johnson: You're welcome. Thank you.

Governor: That brings us to Contract 24, Department of Motor Vehicles. Good morning.

McDonald: Good morning. For the record, my name is Sean McDonald. I'm the Administrator for the Central Services and Records Divisions at the Department of Motor Vehicles. We're here on behalf of a contract which will allow us to move forward with an electronic lien and titling system. Ultimately it will save us additional costs in titling and becomes -- it's a process that the lien holders themselves, the banks are looking to try to get states to transition to. There is zero cost to the state for this contract.

Governor: Yeah. Explain that. I'm trying to understand that because that doesn't happen very often.

McDonald: Agreed. Agreed. And Izzy Hernandez has been the project manager, so I may to defer to him on some of this. But ultimately it is a cost that will be encumbered by the lien

holders themselves. So it is a process that allows them to not have to maintain and store negotiable instruments, again, the titles themselves. It makes it a lot easier than keeping a bunch of filing cabinets in a room. They have everything electronically. So this is something that they desire to have. It makes their processes easier. They will ultimately pay for this -- for these to happen, for these transactions to happen. So we -- the vendor will put up enough money up front for allowing us to do to the programming and the initial rollout of this. They will recoup their costs from collecting from the lien holders a \$4 fee which will be charged every time a title transaction occurs.

Governor: Now, the State's not on the hook if, let's say, those good-intended lien holders didn't pay is it?

McDonald: So I'm sorry. Your question?

Governor: Well, essentially, does the State have any potential liability with regard to this \$15,970,000 if the lien holders weren't to perform?

Hernandez: Izzy Hernandez for the record, Project Manager for the DMV. The answer is no. Per NRS, the vendor that we have selected will be taking full responsibility to make sure that any transactions or information is shifted over to the lien holder and vice versa. So the vendor is the one that's on the hook for that. So the Department or the State is not liable for that.

Governor: So there's -- and not to get overly technical, but there's an indemnity clause in this contract?

Hernandez: Yes.

Governor: All right.

Hernandez: Yes.

Governor: And when would this be implemented?

Hernandez: Well, the timeline that we currently have is one year after approval, and that is the negotiated timeline that we have had with -- or that we put in place with the vendor. So we're looking at an implementation of January 2016 calendar.

Governor: All right.

Attorney General: I'm going to kind of repeat what the Governor was saying, but you're saying that they're taking responsibility of the information flow? I just want to make sure you're also saying that if the banks don't eventually ante up, that they are taking the full liability of this?

Hernandez: So I think I probably need to explain just a little bit of the process. The current process is that a dealer ships paperwork to DMV. DMV currently creates a physical paper title. That process of the dealer getting that documentation to us will still continue. The difference is gonna be instead of us creating a paper document, we're shipping an electronic transaction. Once

that vehicle is paid for, then at that point, the lien holder will ship the transaction back to us saying, okay, this customer has paid their vehicle, print the title. So at that point we'll initiate and print the title. So the DMV is still retaining all of the information. We're retaining the customer's information, protecting that, and our responsibility is to make sure that when a lien holder comes back and says please print this title, that we verify that they do in fact own that vehicle. I don't know if that answers your questions. I'm sorry.

Governor: Half of it. The piece that the Attorney General and I are focusing on is just to make it clear for the record that the State doesn't have any potential exposure with regard to this contract if the lien holders fail to perform.

Hernandez: That is correct.

Secretary of State: Governor, if I might.

Governor: Madam Secretary of State.

Secretary of State: Thank you. The question I have with this is the responsibility, if there is any, of this organization, whatever this company is that is doing the service having the names of all of the buyers. Is that secure, confidential? Is that in the agreement that that would not be sold, used for any other purposes, only for the intent?

Hernandez: That is correct. The responsibility, again, we have specifically stated in the contract the DMV owns that data, the vendor cannot use to sell to provide any lists to any mailing services. We own the data. They cannot even tell anybody that they're doing business for the DMV.

Secretary of State: So they're like a third-party storage?

Hernandez: That is correct. Yes.

Secretary of State: Okay. That helps. Thanks.

Governor: Any other questions? Thank you very much. That takes us to Contracts 26 and 27, the DETR contracts.

Soderberg: Morning Governor, members of the Board of Examiners. My name is Don Soderberg. I'm Director of the Department of Education, Training, and Rehabilitation. To my left here in Las Vegas is Ken Ladd. He is the founding father and for some time volunteer Executive Director of the Nevada Center of Excellence. We also have in our audience here in Las Vegas, Dennis Perea, DETR's Deputy Director who can answer questions regarding DETR's historical involvement with the Nevada Center of Excellence, and Nathan Allen who is now the Executive Director of the Nevada Center of Excellence who can explain, if need be, the actual programs and the function of the Center. With that, I'd like to give the floor over to Ken to just discuss the contract that is in question here, and then we can hopefully answer any questions that the members of the Board will have.

Ladd: Governor, Madam Secretary, Mr. Attorney General, my name is Ken Ladd, a retired bank executive, 40-year resident of Nevada, and have been a volunteer and chief advisory to the Center of Excellence now for the better part of two years. Today we're speaking about a contract, a sole-source contract with the Southern Nevada Water Authority and the Center of Excellence to do specific testing on some new water purification technology that primarily deals with nanoparticles. This particular technology has been bench tested, and has been reviewed by scientists, both at SNWA as well as scientists from DRI and UNLV, and believe that this is a very unique technology, and something that will not only solve purification issues in Southern Nevada, but have implications really internationally. What this testing will do, ladies and gentlemen, it will verify that in fact it does what the bench test proves that it will do, but more importantly it will verify that this technology is scalable. It will verify that it is commercializable in the marketplace. And so with this, DETR -- the company has agreed that should this testing validate as we intend it will they have incorporated in Nevada that they would then manufacture cell and distribute this technology worldwide using Southern Nevada as its showplace, SNWA as its showplace, and this is an amount of a hundred thousand dollars from DETR and \$50,000 from Go Ed. And so I would stop there, ladies and gentlemen, and see if you might have any specific questions of me.

Governor: Thank you Mr. Ladd and Mr. Hill. Director Hill has sat at the table as well. I asked for these two contracts to be held out, and I have the benefit of having been there since the beginning, and I think it's one of the State's best kept secrets, unfortunately. And I saw this as an opportunity to talk about what was envisioned with regard to the Center of Excellence and the progress that we've made and what we've accomplished. So Mr. Hill, I don't know if you want to take it from there, or Mr. Ladd.

Hill: I'd be happy to, Governor, and then I'll let Mr. Ladd and Mr. Soderberg fill in where I leave gaps. And you're right, and good morning Governor and members of the Board. My name is Steve Hill. I'm the Director of the Governor's Office of Economic Development. The Governor was very involved approximately two years ago when we first developed the idea of the Water Center of Excellence and in the work we did with IBM to secure the technology platform that would make that capable of being stood up. And we did that with the recognition that throughout Nevada, the State has a significant amount of water expertise. For example, the Research Institute has more hydrologists on staff than any other organization in the country other than the U.S. Geological Survey. We have expertise at UNR, at UNLV. The Southern Nevada Water Authority, which we've been able to see now worldwide, has a reputation not only for the work they do in supplying water to the Las Vegas community, but in their water expertise as well. Their research and development is recognized globally. So the idea behind the Center of Excellence was to bring that expertise together and provide a single point of contact for those outside of Nevada wishing to interact with the State, but not necessarily knowing exactly how to do that, as well as to bring innovation the ability to commercialize that innovation from water researchers throughout the United States and really across the globe to Nevada to be able to connect all that expertise, and then commercialize what they're doing.

The big data analytics that available now because of the technology platform that we have provide an opportunity to work on the cutting edge of water technology. And what I mean by that is that information typically in the past in the water industry has been someone coming and reading your meter or someone going out and monitoring individual samples of water for water

quality or inspecting pipes for leakage, where now we have the ability to monitor that through equipment that provides continual data. And that continuous amount of data requires the kind of big data analytics ability that this technology platform provides

So as a part of Water Center of Excellence, the knowledge fund has granted a portion of money to help stand that program up as well. And frankly, in looking back now, the technology platform needed someone like Nate Allen who is our new director of the Center of Excellence, he just started in September, in order to really make that flourish. So we were probably 12 months or so early when we made the acquisition, but the technology platform will be there pretty much indefinitely. And we have now started to see significant results, and we're seeing it on trade missions when we go now. The expertise that the State has is recognized in the countries that we go to. The Governor was able to speak at the Water Technology Conference in Israel just last year. Since Nate has come on board, we've had four companies come to Nevada, Aqua would be the fifth, to locate their companies here. They're small, they're technology companies. We see growth in their future. Some will certainly, and some will not. But just over the course of a few months we're starting to see real activity there. That's also starting to bring in revenue, and we have several grants that are being submitted or have been submitted that we think will increase the revenue there as well.

So Nate has a really strong background, both in the technology area and with business development. He was with the Biosphere in Tucson. He has been a terrific addition and really has started to allow the Center of Excellence to gain traction.

Governor: Given this progress, it's hopefully inevitable that it will become self-sufficient in terms of these outside entities taking advantage of it?

Hill: Yes, Governor. The plan when we did this two years ago, and also there's a part of each of the Knowledge Fund projects that we fund is a plan for self-sustainability. It takes some time, especially in a start-up organization, which many of these are. We think they're very important. They're very aligned with where we see the assets of Nevada and where we see important technology going in the future. But all of these have a plan for self-sufficiency in the future.

Governor: And just to put in perspective, I mean, if this continues to evolve like it is and how we hope it will, it will put Nevada on the map, shouldn't it globally in terms of being a leader in water research?

Hill: It really will. And that has already started, actually. The industry's most well-known publication last year published an article about the 12 areas in the United States that have real expertise in water, and this is the first time that Las Vegas has been recognized as one of those 12. That expertise was already here, but it was somewhat dispersed. And so now that we can coordinate that, brand that, and let the world know that expertise exists here in Nevada and as the industry continues to grow, we think that will be very beneficial for the State moving forward.

Governor: Thank you, Director Hill.

Hill: Thank you.

Governor: Anything further from Los Vegas? You muted it, Don.

Soderberg: Excuse me. Sorry, Governor. I would only add that we have become from a branding standpoint world renowned. We had a 13-person delegation in Singapore Water Week, which is the largest water convention in the world, and with that, you know, we've been able to work with 75 different companies. We have six other pending companies along with the four companies that we're doing testing with right now. So, you know, we absolutely believe with the umbrella that we've put around all of the assets that reside in Nevada, you know, to include Northern Nevada, UNR, Truckee Meadow Water, SNWA, Las Vegas Global Economic Alliance, EDawn, et cetera, et cetera, that Governor, we are becoming not only nationally renowned, but internationally renowned. Thank you.

Governor: Secretary of State has a question.

Secretary of State: Thank you, Governor, and thank you, gentlemen. This is really exciting to hear so much in depth. But just the two questions, if you just help me, and it's just for verification and education more, but the funding sources, the career enhancement program and the revenue contract, could you just explain those two to me just so I understand where that is coming from? I appreciate it.

Hill: Madam Secretary, it's a probably a question best answered by Don.

Secretary of State: Okay. Thank you. Hi, Don.

Soderberg: Good morning, Madam Secretary. This money comes from what we call our career enhancement budget, and it is largely money that is assessed on unemployment insurance for job creation. And DETR has this historically in the past for a variety of efforts, working with the Department of Education on career enhancement, working on some items such as this that are specialized economic development. We are a partner in the IBM Pure Computer that the Center of Excellence runs. We also do work with some of the Governor's initiatives in this regard. So this money is specific for these type of things that we believe will improve the economy and thus improve the workforce in the long run.

Hill: Madam Secretary, may I just add if I could, we know nationally that in excess of 63 percent of all of the trained, both in the technical side and the scientific side, of the water industry, that 63 percent of those people will be retiring in the next three years, and we have been working closely with DETR and CSN as well as Truckee Meadows in starting to develop specific curriculum and/or certifications that we can train people not only to manage the water issues here for us in Nevada, but also train others for other utilities or private enterprise.

Secretary of State: And I thank you. Thank you, Governor. I'd still like to know when you say revenue contract, where does the money actually come from and the career enhancement programs are -- is that money that's from the State? Is that money from the colleges? Is there federal -- I don't see any federal on here in our books, but if you could -- I'm looking for a little more depth on that if I could, please.

Soderberg: Madam Secretary of State, the money comes from the State through an assessment that is placed upon unemployment insurance premiums. It does not come from the general fund.

Secretary of State: Okay. Thank you.

Governor: Are there any other questions on Contracts 26 and 27? Okay. The Attorney General has a question with regard to Contract 25 which involves DETR as well. Mr. Attorney General.

Attorney General: Do you mind explaining this Contract 25?

Hill: Mr. Attorney General, I believe Melanie (sic) Mason is in audience. There she is. She is with our vocational rehab division, and she can explain this contract in much depth than I can.

Attorney General: Thank you, Melaine.

Mason: Good morning. My name is Melaine Mason. I'm the Deputy Administrator of the Rehabilitation Division. This contract is a continuation of an ongoing relationship since 1999 with the Marshall Ketchum University, and the Southern California College of Optometry, to provide additional services to participants in the rehabilitation program. They are seeking employment. They are individuals with disabilities seeking employment and independent living skills. And these are individuals that have low vision and they need the additional assistance in providing eye care and not just glasses, but low vision aids and low vision resources to continue with employment, seek employment, as well as live independently. And I can answer any questions you have.

Attorney General: What's the origin of them getting this sort of access? You just determined somewhere along the way that it was a crucial component of them being able to get employment?

Mason: Mm-hmm. So thank you. Melaine Mason again. Nevadans were partially -- mostly federally funded and a portion of the State funds, the match part of our program, and it's Nevadans that have a disability seek resources through the division and their employment focus mostly. We do some independent living, but the participant must have a disability. They come work with the division, work with a counselor who has a master's degree in determining their goals and aspirations. And then the division also finds the suitable resources to overcome the disability that might be an impairment to employment. And in this case, it's vision where they have low vision, you know, progressively towards blindness.

Attorney General: Okay. Thank you.

Governor: Thank you very much. Oh, Madam Secretary of State.

Secretary of State: Thank you, Governor. Do you work with the Blind Center in Las Vegas? Is that one of the agencies?

Mason: This is Melaine Mason, yes we do. In a couple capacities I'd like to toot our horn. One is our preferred purchase program, our state use program. And that's where government entities can seek vendor services without going through a contractual competitive bids. It does employ

people with disabilities, so we're proud to partner with them. They've been a great partner in that area as well as reaching out to their population and provided our services so that we are a resource to them in serving Nevadans.

Secretary of State: Great. Thank you. And thank you for letting me ask that. I just -- I too want to toot their horn. They've been doing a wonderful job in Southern Nevada. I don't know if you have the same resources in the north or not, but they have helped so many, and they're doing a great job, so thank you.

Mason: And we appreciate that because they are (inaudible) to our Division. So thank you.

Secretary of State: Thank you.

Governor: Thank you very much. Board members, any further questions with regard to Agenda Item No. 7? If there are none, the Chair will accept a motion for approval of Contracts 1 through 27.

Secretary of State: Move for approval.

Governor: Secretary of State has moved for approval. Is there a second?

Attorney General: I second.

Governor: Attorney General has seconded the motion. Any questions or discussion? Hearing none, all in favor say aye.

Group: Aye.

Governor: Opposed no? Passes 3 - 0.

***8. FOR POSSIBLE ACTION – MASTER SERVICE AGREEMENTS**

Four independent contracts 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

Comments:

Governor: We'll move on to Agenda Item No. 8, Master Service Agreements.

Clerk: Thank you, Governor. There are four Master Service Agreements on the Agenda for approval today. Just as a little bit of background, these are essentially state-level contracts. They can be accessed by any agency within the state, and we have a representative from the State Purchasing Division here if you have any questions.

Governor: Why don't you just chat a little bit more about the Master Service Agreements and their purpose.

Kimberlee Tarter: Okay. I'd be happy to. Thank you. For the record, Kimberlee Tarter, Deputy Administrator of the Purchasing Division. Master Service Agreements have been in place for quite a while, and one of the goals that we seek to accomplish with Master Service Agreements is to leverage the combined spend of all state agencies so that we can achieve greater savings across the board. Some of the agencies that particularly benefit from these contracts are those located out in rural Nevada. They tend to really have a great opportunity in achieving savings. They range from commodity products, office supplies for example, to services, and we have -- there's so many. We probably have in total 200 Master Service Agreements that we manage for the State. And not only do state agencies get to take advantage of these savings that leverage, the whole governments as well. Higher ed gets to take advantage of these contracts. So we make them available. There's actually a statute that provides that reciprocity. We also in certain instances take advantage of their agreements. For example, Metro Las Vegas put in place contracts for motorcycles, and they obviously (inaudible) Metro by more motorcycles than the State does, so when the State has a need, we'll use their contract. So we do have that relationship between the state and local governments. We have our Master Service Agreements making them available. So again, it's not just our state agencies, it's not just rural Nevada that's being able to take advantage of this, it's the local government. Frequently what we'll do is we'll look and see if there's a need or agencies will reach out to us, and we'll start to see where multiple agencies are contracting for the same service or purchasing the same commodity, and in those situations is also tries to benefit this Board so that we reduce the number of contracts that are coming before the Board so you're not seeing different contracts with different rates. So that's another incentive for us to go out and try and pursue these Master Service Agreements.

Governor: Thank you very much. Question from the Secretary of State.

Secretary of State: Thank you. And I'll just be general on my questions instead of very specific on some of these. I just wondered on the bidding process, I know that we don't have that you have to have a Nevada company because sometimes they don't provide the service that we need for the state, so I was just wondering a little bit about the bidding process, if you can talk a little on that. The other is -- and if you need me to be specific on any of them, just let me know, but when we okay these, it's nice to know if there's any data to back up if the program is working. I've always liked to see, for instance, one of the educational programs, do we have the information that shows that it's actually doing what it needs to do, and do we want to enter into this is it more or less being effective, and then also just state and local, the bonding, is all of the bonding information that we're getting, is that all state? Is there any local bonding at all?

Clerk: This is Julia Teska. I will take that piece of the question. The state agencies don't really have access to local bond funds, and so any time you see bonding on these Agendas, it's -- and typically with the -- as we saw today, with the Conservation and Natural Resources agencies, it's usually the Q1 bonds that they're utilizing. And you will also see some items come through with bond funds through Public Works Division, and those will be the bonds we issue for CIPS.

Secretary of State: Okay. And if we could have at some point the amount of bonding capacity that the state does have, what we have and how many we have given out to how many bonding authorities have we given to, if that -- if I'm making sense in my request. Julia, let me know.

Clerk: We'll follow up after the meeting, because we will have as part of the budget presentation that will be on the -- because we do -- the Treasurer's office actually does the calculation for what the State has available in bonding capacity, and that's included in the budget that will be released later this week is what our bonding capacity for the coming biennium is.

Secretary of State: Okay. Thank you. Thank you for that. Thank you, Governor.

Governor: Thank you. Any other questions with regard to Agenda Item No. 8? If there are none, the Chair will accept a motion to approve Master Service Agreements 1 through 4 as described in Agenda Item No. 8.

Attorney General: Move to approve.

Governor: The Attorney General has moved to approve. Secretary of State has seconded the motion. Any questions or discussion? All in favor say aye.

Group: Aye.

Governor: Motion passes 3 - 0.

Governor: So we're moving back to Agenda Item No. 8.

Secretary of State: Oh, this is. I thought this was on 9.

Clerk: No. Actually Item No. 9 is the -- it's a Nevada Department of Transportation on the information item on Ride --

Secretary of State: The wrong section, but that's what I have in mine.

Attorney General: We both got the same thing. (Inaudible).

Governor: No. I can -- Madam Secretary of State, I can go back to Agenda Item No. 8 if you have a specific question.

Secretary of State: I was just curious about -- I know that we have agencies and also we have companies that here that do the fire extinguishers. I was just curious about the out-of-state that that's what we're doing it with. And so, yeah, I don't know why mine's under a different number, but it is.

Tarter: For the record, Kimberly Tarter, Deputy Administrator with the State of Nevada. Regarding the Master Service Agreements that we have in place for fire inspection services, they are actually -- this is a Master Service Agreement that has been multiple awarded, and it was awarded to, I believe, eight different companies. Out of those eight companies, all of those

companies are Nevada-based with the exception of one. And the one that is not Nevada based, does have all of the requisite licensing. So they have a Nevada business license. They have a Nevada contractor's license, and they're utilizing Nevada-based subcontractors. And the reason we have such a larger number of contractors awarded is because many of these fire systems are proprietary and so they can only service certain manufacturing systems. So we have to have a broad population of contractors that come and meets the State's needs for those systems.

9. INFORMATION ITEM

A. Department of Transportation – Administration

Status Report on Washoe County's Trip Reduction/Rideshare Program – Governor Sandoval requested an update on this program at the November 12, 2014 Board of Examiners' meeting. The request is associated with the November meeting agenda item #10, contract #29.

Comments:

Governor: We will move to Agenda Item No. 9. Ms. Teska.

Clerk: Thank you, Governor. Agenda Item No. 9 is one of two information items that are on the Agenda. In this case, this is a little follow-up report to an item that was on the November Agenda with a little additional information on the Trip Reduction/Rideshare Program. And I believe there are agency folks here if you have any other questions, but I think it followed up on the information that you requested.

Governor: No. I had asked. I just wanted to make sure that it's working well.

Secretary of State: With the service agreement? Okay. And if I might, Governor, the question that came to mind just for reading this, and I appreciate your willingness to help us work through this for our first meeting. I know that we do sprinkler systems in Nevada. I know there's companies --

Secretary of State: Then, I guess, Governor, if I can see what you're looking at for the one I'm supposed to be on.

Governor: No. And this was something that I had asked about in November. Moving back to Agenda Item No. 9.

Secretary of State: Thank you.

Governor: We have the rideshare program between Carson City and Reno.

Secretary of State: Okay.

Governor: And I was just wondering how it was working and at least on the information that's provided that it's working well, that there are -- that it's being utilized.

Secretary of State: I remember when that was put in.

Governor: And that, you know, it's obviously a benefit for less trip and more efficiencies and such. So I appreciate the provision of the information. I really don't have any questions. I just kind of confirmed what I was thinking, but it's good to see it.

Secretary of State: Okay.

10. INFORMATIONAL ITEM

Pursuant to AB 41 of the 2013 Legislative Session, the Clerk of the Board may approve all contract transactions for amounts less than \$50,000. Per direction from the August 13, 2013 meeting of the Board of Examiners, the Board wished to receive an informational item listing all approvals applicable to the new threshold (\$10,000 - \$49,999). Below is a list of all applicable approvals for contracts and amendments approved from April 16, 2014 through May 16, 2014.

Twenty-four independent contracts were submitted to the Board for review.

Comments:

Governor: All right then. Ms. Teska, to Agenda Item No. 10.

Clerk: Thank you, Governor. Back in the 2013 legislative session the legislature passed AB 41 which raised the threshold for contracts that must be acted upon by the Board of Examiners. It used to be \$10,000 was the threshold, and it's now \$50,000 which is why we only have 20 items on the Agenda instead of, you know, 100 items on the Agenda. That was a very positive change in terms of moving forward, the ability for agencies to contract without having to hold up the process waiting for a Board of Examiners meeting.

However, in the interest of continuing transparency and not removing items that had been subject to public inspection previously, we do submit all of the contracts that have been approved under this provision that were between \$10,000 and \$49,999 as an information item. That is under Exhibit 4 in your packet. These contracts have all already been approved, but this is just an item for your information of the contracts approved under that provision.

Governor: (Inaudible) but I do. And I know, Ms. Teska, we had a chat about this, and I didn't bring this to your attention, but I did notice that there are a couple research contracts with San Diego State and UNR. And I think you've heard me before ask about what the administrative fee is by the institutions, and I don't know if you have at your fingertips today.

Clerk: I do not, but for those particular ones. I had them for the ones that are on the action Agenda. However, I will bring a little update that we are working with the University system and hopefully -- unfortunately, I got the information right as we were at the fever pitch of preparing the budget. And it's our goal in the next four to six weeks to get out some standardization that will standardize those administrative and indirect cost rates across all of their contracts.

Governor: Because we did that at the Board of Transportation, and we took it from, I think it was, between 45 and 50 percent to somewhere in the 20s. And again, it's just my goal to put more money to the actual work than to administrative fees, and so that's hopefully gonna work out. It's going to work out well with the Transportation research contracts, but I'd like to see it go over here.

Clerk: Absolutely. And once we have formalized that policy and rolled it out, we'll make sure that we bring it to this body as well.

Governor: Okay. Thank you. And then I also, on Number 24, this doesn't have anything to do with the utility of the contract, but whenever there is opportunity to chat about the Silver State Exchange and what's happening. Mr. Fisher, I apologize that you left and came back, but given that it's on the Agenda and it's been up and going since November, I thought it might be an opportunity to provide an update.

Fisher: Sure. Thank you, Governor, and new members of the Board. For the record, Steve Fisher. I'm the Administrator for the Division of Welfare and Supportive Services. And to answer your question, it's going very well. We have 45,000 individuals who have enrolled in insurance on the Federal Exchange. 35,000 of those individuals have paid for their insurance. 45,000 enrolled, that means they've gone in, gone through the process, picked an insurance company and then the other 35,000 have actually paid for their premium.

On the welfare side, things are actually going very well as well. We have an interface between the Federal Exchange and welfare. So, for example, an individual can come in and apply for Medicaid, for welfare, and if for some reason they become ineligible for Medicaid, we actually send that information up to the Federal Exchange. The reverse also occurs if someone goes to the Federal Exchange and applies for insurance, and let's say, for example, maybe they some children in their family who might be eligible for Medicaid, CHIP for example, then they would ship that information down to us at welfare, and we would process that application. And so very successful. We're hitting around 99, 98 percent success rate on those electronic transactions that are coming down to welfare.

Governor: And when you say it's working well and we're getting new enrollment with Medicaid, are those newly eligibles or currently eligibles? Do you know a breakup--

Fisher: A combination of both.

Governor: So would -- because I would imagine that we've -- at least from the sheets that I've seen that we're plateauing --

Fisher: On a plateau, yes.

Governor: -- because we've essentially found or the folks that are eligible become aware of this and have signed up.

Fisher: That is correct. Actually our numbers are just starting to kind of decrease a little bit on the Medicaid side. However, we had a waiver for one year. We didn't do what's called

redetermination. So when you become eligible for Medicaid, annually, once a year we're supposed to redetermine your eligibility. We had a waiver for that for one year, so we've restarted that redetermination process, so we feel that some of those individuals are coming in and using the electronic application process to do the redetermination. So a lot of those coming into us are people who are already on Medicaid.

Governor: And with regard to those redeterminations, my understand is that our Medicaid population has actually decreased by over 10,000 in the past couple months.

Fisher: Correct.

Governor: Yeah. Well, good work. I mean, it wasn't as pretty a year ago, and I want to thank you and everyone else who's been associate with the exchange with this turnaround because it really is night and day.

Fisher: I was going to say, yes, it's definitely not just me. It's that whole team of people in that collaboration between those different divisions that made it happen.

Governor: And when does that enrollment period close?

Fisher: February 15.

Governor: February 15, and then do the individuals who have enrolled and not paid have until February 15 to pay? When is their deadline? Do you know?

Fisher: Open enrollment ends on the 15th. I can't swear to it, but I believe it will give them some additional time to make their payment after February 15. So they probably have until March 1, somewhere in that timeframe to make their payment for their insurance to become effective March 1.

Governor: And when you say 45,000 have enrolled, is that exclusively through the exchange, or is that also with the providers?

Fisher: That's 45,000 have enrolled on the Federal Exchange, and the information has gone over to the insurance providers, but 35,000 of those have actually paid for their premium.

Governor: Okay.

Fisher: Paid for their insurance.

Governor: Do you know how many of that 45,000 are essentially renewals from last time, and how many of them are new enrollees for lack of a better term?

Fisher: I don't.

Governor: Okay.

Fisher: I can ask the question of the exchange and see if we can find that out for you, but I do not know the answer to that question.

Governor: But that 45,000 exceeds the number who enrolled last year?

Fisher: Yeah. I believe the final number was around 36,000.

Governor: All right. Thank you. And again, I appreciate your coming back and running over here. Any other questions?

Clerk: Thank you, Governor.

Governor: Thank you. Board members, any other questions with regards to Agenda Item No. 10?

11. BOARD MEMBERS' COMMENTS/PUBLIC COMMENTS

Comments:

Governor: Then we'll move on to Board member comments or public comments. Any Board member comments?

Secretary of State: Thank you. And I want to thank your staff for getting us the information and working with us and helping explain things. So thank you, Governor.

Governor: You're very welcome. All right. Is there any public comment from Carson City? Any public comment from Las Vegas?

Unidentified Male: No, Governor.

Governor: Thank you, sir.

***12. FOR POSSIBLE ACTION – ADJOURNMENT**

Clerk's Recommendation: I recommend approval.

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

Comments:

Governor: Then is there a motion for adjournment?

Secretary of State: Move to adjourn.


Attorney General: Second.

Governor: Secretary of State has moved for adjournment. The Attorney General has seconded the motion. All in favor say aye.

Group: Aye.

Governor: Motion passes 3 - 0. Thank you, ladies and gentlemen. This meeting is adjourned.

Respectfully submitted,

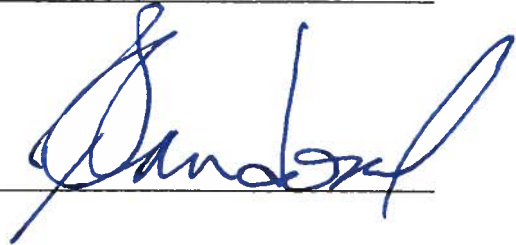


JULIA TESKA, CLERK

APPROVED:



GOVERNOR BRIAN SANDOVAL, CHAIRMAN



ATTORNEY GENERAL ADAM PAUL LAXALT

SECRETARY OF STATE BARBARA K. CEGAVSKE