

MINUTES
MEETING OF THE BOARD OF EXAMINERS

July 7, 2015

The Board of Examiners met on July 7, 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
James R. Wells, Clerk

Others Present:

1. PUBLIC COMMENTS

Comments:

Governor: Good morning, everybody. I will call this Board of Examiners Meeting to order. First item on the Agenda is, Public Comment. Is there any member of the public present in Carson City that would like to provide public comment to the Board? Hearing none, I'll move to Las Vegas. Can you hear us loud and clear there? Any public comment?

Las Vegas: None in Las Vegas.

Governor: Okay, thank you Rudy.

*2. FOR POSSIBLE ACTION – APPROVAL OF THE JUNE 9, 2015 BOARD OF EXAMINERS’ MEETING MINUTES

Clerk’s Recommendation: I recommend approval.

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

Comments:

Governor: We'll move to Agenda Item No. 2, which is the approval of the June 9, 2015 Board of Examiner Meeting Minutes. Mr. Attorney General, have you had an opportunity to read the minutes and do you have any changes?

Attorney General: I have Governor, no changes, and I move to approve.

Governor: Okay. The Attorney General has moved for approval of the June 9, 2015 minutes. I will second the motion. All in favor say, aye. [Ayes around] Motion passes 2-0.

*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 – Fleet Services	127	\$3,261,646
Department of Public Safety – Investigation	3	\$85,194
Total	130	\$3,346,840

Clerk’s Recommendation: I recommend approval.

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

Comments:

Governor: We'll move to Agenda Item No. 3, State Vehicle Purchase. Mr. Wallace, good morning.

Wallace: Thank you Governor. Item No. 3 is a request for 130 vehicles that are included in the agencies budget. The first item for Fleet Services is to purchase 127 vehicles to both expand the number of existing agency leased vehicles as well as to replace individually owned—agency owned vehicles with new fleet services leased vehicles. Agencies that are replacing their own vehicles with these fleet services leased vehicles would then be taking their existing agency vehicles out of service.

The second item is for the Department of Public Safety, Investigations Division to replace three of their agency's vehicles.

Governor: Is Keith here?

Wallace: He is here.

Governor: You were hiding behind there. No, Keith, I really don't have any questions but I just want to get a little bit more thorough of a record as to the background on the vehicle purchase if you would?

Wells: Good morning Governor, Members of the Board of Directors. Keith Wells, Fleet Services Division Administrator. The 127 vehicles represented here today are vehicles where we've gone out and worked with agencies to move from them agency owned vehicles to the fleet services division. So, as their vehicles cycle out of service, they move into our operation. There's also vehicles where agencies have needed to expand their operation.

There's only 127 of them. We—we're approved for about 130 for this biennium and we try and get them all at the first year of the biennium. Out of those 127 vehicles, I've already looked at them because I was curious if you'd asked about the leasing contract.

Governor: That's coming, but go ahead.

Wells: Yeah. We've looked into that for possible leases and will continue, but what I'm trying to do today is secure the approval to purchase them if the lease won't work out. The majority of the ones that we're purchasing probably should not be leased anyways. A lion's share of them are going to Parole and Probation. They put radios, cages and all kinds of things in their vehicles. And, the leasing companies, they would charge us for that, the damage to the vehicle. But, any vehicles in here that are well suited for the lease I will use the lease instead of purchasing. And, we are pursuing other vehicles to lease as well. But again, these vehicles are just additional to our fleet, to satisfy agency requests to either move here or to—that have been requested to transfer to us.

Governor: Can you talk a little bit about the savings associated with moving it from agency vehicles to fleet vehicles, if any?

Wells: Yeah, it's hard to quantify those savings, but there is savings. What it does is it takes those assets and puts them under a centralized control. So, you have one agency overseeing acquisition, the lifecycle, the disposition, the maintenance, the records; all of the components that are required to manage a fleet, is done by one small group of people. So, you have knowledgeable, informed people making those—not that there's not in agencies, but there—there could be. There's a lot of agencies doing a great job, but the goal is to take those, all of those administration functions and place them under our control, so now you release those staff at those agencies to focus on the Division—that—the mission of that Division.

For example, Parole and Probation, they should be focusing on the mission that they're tasked with, not how to acquire a vehicle, how to dispose of it, how to handle it if it's been in an accident, things like that. So, you can really reduce the administrative workload and you also bring continuity in how the State acquires vehicles, what type are required, negotiate and pricing better, repairs, centralizing records, ensuring inspections that are required to be done are done.

Governor: It begs the question, why didn't we do this sooner? Because it—to me, it checks every box, based on what you just said.

Wells: It's a good idea. As long—if we're doing a good job, it's a good idea and we are doing a good job, because it's the centralization—and, as I said, our goal at the Fleet Services Division is to—to basically solve whatever problems you have, transportation wise. You throw your problem at us, we'll solve it. So, you can just continue down the path that you're on. And that's what we focus on.

Governor: Now, there was a reference—maybe it was at the Board Meeting for Department of Transportation about, why don't we use a rental car agency versus fleet services?

Wells: Well, we do partner—for example, our—we have two programs with inside the Fleet Services Division. You know, you have your long-term assigned vehicles, for example, Parole and Probation. Then you have all the agencies that travel through our three rental centers; Las Vegas, Reno and Carson City. Those short-term rental needs, we keep a—we keep a volume of cars in our rental center to satisfy about 80% of the rental needs. The remaining 20%, I outsource those. So, we outsource specialty needs. We outsource peak times of travel—people traveling during odd hours when we're not open. So, the success—to make that program successful, it works because we do partner with the private sector. If you were to outsource it completely, we've looked at it many times—

Governor: I know you have and then—

Wells: Honestly, I would like to do that—

Governor: I'm giving you a chance here to make a record.

Wells: That is the most frustrating component of our agency, but it's cost effective for us to continue to do it. You know, and we look at it all the time because if it ever becomes not cost effective, we will remove it. But, it hasn't reached that point. What makes it successful, as I stated, is to balance it between internally using vehicles and outsourcing with vendors. And, you know, I don't—the Department of Transportation—I don't know why they brought that—in Las Vegas, their cars are really old, they would probably like to get rid of them.

Governor: No. Rudy is smiling over there, but I didn't—I wasn't inferring that DOT, NDOT suggested that, somebody else did. But, I—again, was just taking the opportunity because you're up here to talk about what a great job you guys do.

Wells: We appreciate that.

Governor: Yeah. All right. Any questions, Mr. Attorney General?

Attorney General: No, Governor, thanks.

Governor: Thank you Keith. All right, if there are no further—anything else Mr. Wells? If there are no further questions on Agenda No. 3, the Chair will accept a motion for approval of the State Vehicle Purchase described therein.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. Agenda Item No. 3, I will second the motion. All in favor say aye.

Attorney General: Aye.

Governor: Aye. Motion passes 2-0.

- *4. FOR POSSIBLE ACTION – APPROVAL TO PAY A CASH SETTLEMENT**
Pursuant to NRS 41.037, the State Board of Examiners may approve, settle or deny any claim or action against the State, any of its agencies or any of its present or former officers, employees, immune contractors or State Legislators.

A. Department of Transportation (NDOT) – Administration – \$1,700,000

The department requests settlement approval in the amount of \$1,700,000 to resolve a claim for just compensation. In furtherance of widening I-15 and Warm Springs Road in Las Vegas, as part of the I-15 South Design-Build Project, NDOT acquired approximately 2.15 acres of a larger 66.15 acre parcel for the purposes of roadway improvement and utility relocation. The remaining 64 acres are jointly owned by Wykoff Newberg Corporation and International Smelting Company. The owners claim the remaining acres were damaged by the transmission

line relocation, giving rise to severance damages. NDOT previously deposited \$1,290,000 with the Court for a right of occupancy. NDOT now requests an additional \$1,700,000 to be paid in exchange for entry of judgment and a final order of condemnation, resolving this eminent domain action in its entirety. Approval of the additional amount of \$1,700,000 would bring the total to \$2,990,000.

Clerk's Recommendation: I recommend approval.

Motion By:

Seconded By:

Vote:

Comments:

Governor: We will move to Agenda Item No. 4, which is an approval to pay a cash settlement. Both of these are associated with the Department of Transportation, Mr. Wells, any comments, or should we just go with—

Wells: We could go with Rudy, yeah.

Governor: Go with Rudy, yeah.

Malfabon: Thank you Governor. This first settlement we're requesting is associated with the project for widening of I-15. We built a new bridge replacing the old bridge over at Warm Springs Road, over I-15. It required us to obtain a permit easement for—for NV Energy, to relocate the power line that was existing there before. And, as you saw in the materials provided there was quite a range in opinions of—of the appraisals and the damages associated with the acquisition of real property for the Department's needs and also for the permit easement for NV Energy.

We felt that a settlement was in the best interest of the State. The exposure was around \$6.1M on this issue. And, the—we had been negotiating—we deposited what we felt was fair for the value of the permit easement and the real property that we acquired at \$1.7M, though of new money is required for this settlement which is all in, \$2.99M.

I have Dennis Gallagher, our Chief Deputy Attorney General also available to respond to some questions, but we felt that this was in the best interest of the State and eliminates that exposure and that risk of going to trial and getting an adverse decision from the court.

Governor: Thank you Director Malfabon. Good morning Mr. Gallagher, anything you would like to add?

Gallagher: I would like to add that I believe that this proposed settlement, by NDOT, is fair, just and equitable, both to the property and to the tax payers of the State of Nevada. As you know, these cases—the State is obligated to pay just compensation. And, as you can see from the materials, the difference that the different appraisers had on the value of this property and I think that this takes the risk away for the State and again, that it's fair to all parties involved.

Governor: And, you do believe—and you do believe that this settlement is in the best interest of the State of Nevada?

Gallagher: Yes.

Governor: I have no further questions. I think it's a good result, so congratulations on being able to negotiate that. Mr. Attorney General, any questions?

Attorney General: No, Governor, thanks.

B. Department of Transportation (NDOT) – Administration – \$1,100

The department requests settlement approval in the amount of \$1,100 to resolve an eminent domain action to acquire a portion of real property and improvements owned by Allan and C. Bridget Jensen and located at 4340 Spring Drive, Reno, Nevada 89502. The Subject Property is a single family home on an improved approximately 7,500 square foot lot. The acquisition is approximately 315 square feet over a portion of the backyard for a duration of two years, with a third year option to provide for a temporary construction easement for purposes of widening South McCarran. NDOT previously deposited \$6,900 with the Court for a right of occupancy. NDOT now requests an additional \$1,100 to resolve the action. Approval of the additional amount of \$1,100 would bring the total to \$8,000.

Clerk's Recommendation: I recommend approval.

Motion By:

Seconded By:

Vote:

Comments:

Governor: Why don't we move to the next Item, #B. Or, not #B, letter B.

Malfabon: Yes Governor, this is Rudy Malfabon for the record. This was associated with acquiring some easements for the construction of the widening at Pyramid and McCarren. It's a joint project that we're doing collaboratively with the RTC of Washoe County—I'm sorry, the South McCarren Project, we're doing it with the RTC of Washoe County and it was a minor amount to bring forward, but we felt that it was in the best interest of the State to settle for this additional amount of \$1,100 associated with this easement that we had to acquire. Dennis Gallagher is available to add any other information.

Governor: This is pretty straight forward.

Malfabon: It shows also the extremes between the prior settlement proposal and this one, at least as far as dollar amounts go.

Governor: Why can't we get more of these \$1,100 ones, you know? All right. I have no questions, Mr. Attorney General?

Attorney General: No, questions, thank you.

Governor: All right, thank you very much Mr. Gallagher, thank you Director.

Malfabon: Thank you.

Governor: If there are no further questions, the Chair will accept a motion to approve the cash settlements of \$1,700,000 in Agenda Item No. 4A, and \$1,100 in Agenda Item No. 4B.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. I will second the motion. All in favor say aye.

Attorney General: Aye.

Governor: Aye. Motion passes 2-0.

***5. FOR POSSIBLE ACTION – AUTHORIZATION TO CONTRACT WITH A CURRENT AND/OR FORMER EMPLOYEE**

A. Department of Public Safety – Director’s Office

Pursuant to NRS 333.705, the Department of Public Safety - Director’s Office requests authority to contract with a former Division of Investigations Polygraph Examiner to conduct pre-employment polygraph examinations and post-conviction sex offender polygraph examinations as required by NRS for the Parole and Probation Division upon request.

Clerk’s Recommendation: I recommend approval.

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

Comments:

Governor: We’ll move on to Agenda Item No. 5, which is the Department of Public Safety Authorization to Contract with a Current and/or Former Employee. Mr. Wells.

Wells: Thank you Governor. Agenda Item No. 5 is a request from the Department of Public Safety to contract with a former Division of Investigations Polygraph Examiner to conduct pre-employment and post-conviction polygraph examinations for Parole and Probation. The Department only has two positions which are dedicated to this—to this service—function. And, have had difficulty in filling it since this person retired in December. The Department has—already has a contract polygraph examiner in addition to the remaining employee and they

are having difficulty keeping up with the workload. So, my understanding is someone from the Department is here if you have any additional questions.

Governor: Is there somebody here? Good morning.

Mewth: Good morning Governor, good morning Attorney General.

Attorney General: Good morning.

Governor: And, how many polygraph examiners are even in the State of Nevada?

Mewth: That's a good question Governor and for the record, this is Jackie Mewth. This is a very difficult position to fill and we have had to look nationally to try to fill these positions with zero success. So, that's why we have had to go to these contract positions at this short-term—the exact numbers on how many are in Nevada at this time, I don't know, specifically, but it is a limited number of ones that are licensed to do it outside of being a State employee. So, that's why we seek the approval to do this at this time.

Governor: What's the consequence if you're not able to do this?

Mewth: Well, we, as you probably know, we are mandated statutorily both to do pre-employment examinations on our sworn officers, as well as, maintenance polygraph examinations on our sex offenders. Based on our employment filling capacity, as we have talked many times during session and other arenas, that it takes approximately 1,000 applicants to fill a 50 person academy.

Governor: A 1,000 applicants to fill a 50 person academy?

Mewth: That's correct.

Governor: Wow.

Mewth: Now, having said that, not all 1,000 applicants reach the polygraph stage but there's a large amount of those that actually do. Our failure rate is probably 30%-ish, on those polygraphs, again to that point. But, as you can see, it's an extraordinary workload to be able to fill our vacancies. Our vacancy rate is high at this time. We currently have a 44% academy going right now. We're trying to get another 50 person academy by October, initiated. As you know, we've received additional positions this last session for Parole and Probation. Without these positions, we will have no ability to enter into any kind of employment contract or offer employment to any of these positions that we're currently have vacant and the positions that we were afforded this last session.

Just for your knowledge as well, we are hosting a polygraph school starting in September where we are going to train our people internally so that it will lessen the need for outside contract

polygraph examiners. So, this is a—hopefully not a permanent fix, but it’s certainly an immediate fix at this time.

We also just learned that our second FTE polygraph examiner will be retiring at the end of this month so it will leave us with no polygraph examiners for the Department for either pre-employment, criminal polygraphs or sex offender polygraph maintenance, so even furthering the need for this contract at this time.

Governor: So, you consider this an emergency?

Mewth: I would, yes. Absolutely.

Governor: I’m not going to put you on the polygraph.

Mewth: I’ll pass, but thank you.

Governor: Sorry, I’m in a mood today. In any event, I have no further questions. Mr. Attorney General?

Attorney General: No further questions, thank you.

Governor: Thank you very much, that was very informative.

Mewth: I appreciate it.

Governor: If there are no further questions, the Chair will accept a motion to approve the authorization to contract with current and/or former employees described in Agenda Item No. 5.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. I will second the motion. All in favor say aye.

Attorney General: Aye.

Governor: Aye. Motion passes 2-0.

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

A. Department of Health and Human Services – Public and Behavioral Health

The Division of Public and Behavioral Health is requesting Board of Examiners’ approval for a new provider agreement template for a Qualified Mental Health Associate. This agreement will be used for procuring authorized providers throughout the state.

Clerk’s Recommendation: I recommend approval.

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

Comments:

Governor: We’ll move on to Agenda Item No. 6, authorization to approve a provider agreement. Mr. Wells.

Wells: Thank you Governor. Item No. 6 is a request from the Division of Public and Behavioral Health to approve a blanket provider agreement under which the Division can contract for qualified mental health associates who will provide professional therapeutic interventions, treatment plan development and implementation and parenting skills training within the scope of their practice and limits of their expertise. And, there are representatives from the Division available for questions.

Governor: This is pretty standard and perhaps you can answer this question, but the purpose for these is to expedite the Department’s ability to retain these professionals so that we can—they can provide services as soon as possible.

Wells: That’s correct, Governor. I believe there are about six of these provider agreements that have been approved by the Board of Examiners over the last—it’s like, just over a decade. It is intended to assist the Divisions within the Department of Health and Human Services with getting the providers on faster.

Governor: Because in other words, if we don’t do this, these contracts will have to come to the BOE for approval and there could be a 30 plus day delay in terms of retaining these professionals.

Wells: That’s correct. Each individual contract with a provider would have to come back to the Board.

Governor: I have no further questions, Mr. Attorney General?

Attorney General: No further questions. Thank you.

Governor: All right, if there are no other questions, the Chair will accept a motion to approve the authorization for a provider agreement as described in Agenda Item No. 6.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. I will second the motion. All in favor say aye.

Attorney General: Aye.

Governor: Aye. Motion passes 2-0.

***7. FOR POSSIBLE ACTION – LEASES ([Attached as Exhibit 1](#))**

Ten leases were submitted to the Board for review and approval.

Clerk's Recommendation: I recommend approval.

Motion By:

Seconded By:

Vote:

Comments:

Governor: We will move on to Agenda Item No. 7, Leases. Mr. Wells?

Wells: Thank you Governor. There are 10 leases in Exhibit 1 for approval by the Board today. We have not received requests for additional questions [inaudible].

Governor: I do have one question, I don't know, I hope they're here. For Wildlife—is Wildlife here? And, that's my fault for not putting you on notice. I just—if you will follow-up, my only concern was that was a 10-year lease and, you know, in the event that there's some type of consolidation or such, or State buildings, yeah, I'm just curious, do we have the ability to break that lease later on, I don't know—I thought most, if not all these leases are subject to budgetary changes or—hi.

Preston: Hi there, for the record, Terry Preston, Leasing Services. It is a 10-year lease. It's for 25,000 square feet plus. The tenant improvements exceed probably about \$750,000, yet we were able to get the lease at market rate. Therefore, during negotiation, we did go for a 10-year lease, but it does have the consolidations. The only escape clause we have is the typical non-appropriations clause.

Governor: Okay. No, and I just—we have so much leased—

Preston: Ah, yes.

Governor: Agency leases out there and that's one of the things I'm considering is, consolidating and hopefully we can save some money or get some—bring the agencies together. And, it just concerns me, when we sign—usually these leases are 5-years and this is a 10-year and I get that you did it because of the TIs.

Preston: Well, the TIs and that we consolidated numerous wildlife agencies that were in smaller locations and some of that were actually, basically for another [inaudible] stacked like [inaudible] in some of the different areas. So, this right here actually accommodated this to go for the goal of a consolidation.

Governor: Okay. I have no further questions. Mr. Attorney General?

Attorney General: No further questions. Thank you.

Governor: All right, if there are no other questions, the Chair will accept a motion to approve the leases described in Agenda Item No. 7.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. I will second the motion. All in favor say aye.

Attorney General: Aye.

Governor: Aye. Motion passes 2-0.

***8. FOR POSSIBLE ACTION – CONTRACTS ([Attached as Exhibit 2](#))**

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

Clerk's Recommendation: I recommend approval.

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

Comments:

Governor: We'll move on to Contracts. Mr. Wells.

Wells: Thank you Governor. There are about 42 contracts as said in Exhibit 2 for approval by the Board today. Contract #42 is between the Department of Conservation and Natural Resources, Forestry Division and Tim Tanker Air Carrier. That item which was submitted after the deadline needs to be amended today because cover sheet has the wrong hourly rate in it.

Members have also requested information on Contract #12 between the Governor's Office of Economic Development and the UNR Nevada Industry Excellence Program.

In Contracts #32-39, it's between the Department of Employment, Training and Rehabilitation and the local workforce investment organizations.

Governor: Okay. Thank you. So, is there somebody here from GOED?

Woodbury: Good morning. Steve Woodbury for the record, Administrative Services Officer. And, appreciate the opportunity to be here this morning and the contract before you is to continue the partnership between GOED and NVIE, to administer the training—Train Nevada—Train Employees Now program—and I'd be happy to talk about why we think it's important.

Governor: And, it's more of a policy question that I had.

Woodbury: Okay.

Governor: I know that we use that quite a bit on the GOED Board and in terms of using it as attracting companies but also training employees specifically into positions that they may not otherwise get an opportunity to do so. So, if you could talk about that in more specifics, I'd appreciate it.

Woodbury: Right. Sure, I'd be happy to. Well, as—and again, to that point, why we think it's important. Work force development has become more important, not just—across the board. This was recently recognized in CNBC reporting and obviously recognized during the legislative session that it's important.

Governor: Wasn't it on 60 Minutes too, was that—

Woodbury: It may have been, I'm not aware of that but yeah, it's—it's important and it's become expected. States are expected to have training and workforce training components of their economic development efforts and so, you know, to be competitive in the marketplace is something that we feel is essential. That we have to include—

Governor: Well, let's make it a little more real. So, at least what I have seen is, it particularly benefits the long-term unemployed, so that you identify some of these individuals. They get an opportunity to get a job and get on the job training and the TEN Grant subsidizes their salary why they're at the employer and then, for more often than not, the—when that grant concludes, that person is retained by the employer. Is that an accurate characterization?

Woodbury: I believe so, yeah.

Governor: And, what are some examples of the employers that are using this?

Woodbury: Well, we've increased—one of the successes is we've increased the number of employees—employers using the program and increased the rate—the efficiency by spending the money we have available. The last three years, we've increased from approximately—let's see, sorry, 76% in FY '13, 97% in '14 and then we spent 100% in FY '15. So, we're using the resources that we have—you want specific companies that are—

Governor: Well, I don't know if we—that would be helpful, but how many people are we assisting?

Woodbury: In the past three years, we've trained over 1,000 Nevada employees. And again, that's one of the qualifying factors. They have to be Nevada residents who received the training. And, there are other qualifying factors, matching requirements and other qualifying factors for companies to be able to use the Program. But, I mean, some of the companies in the current fiscal year, Central, Assurion, [inaudible], and I'm not an expert on it, I don't administer the Program directly, but Great Call, Security Partners, Amazon, Apac, Scientific Games. So, we're doing a better job utilizing the funds that we have available, decreasing the cost—the number—the cost per employee. So, I think it's, you know, again, it's been a successful program and I think it's critically important to help—two aspects. To help attract those companies, because they expect it. It's just become a common component in the economic development efforts and for Nevada residents to increase their skill level and to be able to have higher wages and be able to, you know, meet the needs of the—of the more sophisticated jobs that we're trying to attract.

Governor: Do you know what the retention rate is for those employees?

Woodbury: I don't have that handy but we could get that for you.

Governor: I have no other questions, Mr. Attorney General?

Attorney General: No questions. Thank you.

Governor: Thank you very much.

Woodbury: Thank you.

Governor: Move to 32-39, DETR?

Nielson: Good morning.

Governor: Good morning. And, you heard my line of questioning of GOED, it would be a similar—

Nielson: Right.

Governor: --series of questions for you all on how this money is being spent, how it's working, have we improved our efficiency in terms of the administrative costs associated with Work Force Connections and Nevada Works.

Nielson: Grant Nielson, ESD Program Chief with the Department of Employment, Training, Rehabilitation for the record. There—both Boards have are within their 10% administrative limits at this point in time, so they're compliant in that manner.

Governor: That's good news.

Nielson: Yes, it is.

Governor: And then, let's talk about or will you talk about just some of the employment programs that this money is funding.

Nielson: There's—there's three different funding streams here; the adult, the dislocated worker and the youth program, for both Nevada Works and Workforce Connections in Southern Nevada. The adult program, which this year is changing a little bit, and dislocated worker, which is changing a little bit as a result of the Workforce Innovation and Opportunity Act, which is replacing the Workforce Investment Act. Primarily, it's very similar to those programs. They've combined some of the efforts and some of the—some of the services that are provided to people who are unemployed at this point. Eligibility is very similar to what it was in the past. And, the transition is going smoothly into the Workforce Investment and Opportunity Act, or WIOA. We have been able to—it took effect on the 1st and now it is—the performance will start a year from now.

Both Boards have been doing fairly well in performance which includes—their common measures are, [inaudible] employment, retention into employment, they're meeting all those measures. There's only one measure that we're having difficult with and that's the Literacy, Numeracy Measure for Youth. That's only in the Southern area. Part of the reason for that is they're—you know, they—we've been told that they're serving a much more high-risk population and they're have a difficult time. Plus, there's been some problems with tracking results, that sort of thing, so starting again, on the 1st, we're going back to a single MIS system instead of—the Southern area had a separate system and there were some problems getting the information correctly back and forth. But, they're doing—they're doing their, you know, their best to make sure that that information gets in so we're accurately tracking their performance.

Governor: I mean, that's the bottom line, are we getting people back to work?

Nielson: Yes. Yes, we are.

Governor: And, do you know—can you quantify that?

Nielson: I don't have that with you, but I'd be happy to share last year's report with you and your office, so I will make sure that is provided to you. I didn't bring that with me. I wasn't—I found out about this last night, so.

Governor: Okay. And then, do you align or does Workforce Connections and Nevada Works align their training programs with economic development?

Nielson: Yes.

Governor: That similar to this TEN Program, they're—you know, we're training people into jobs that exist right now. Maybe we don't need a specific skillset because we don't have companies coming in, but we may have a lot of other companies that require certifications and such. So, are we being strategic on how we spend that money?

Nielson: Yes. In fact, per the Executive Order that you signed, all training takes place within the identified sectors. And so, and it has to be a certain level in order to do that. Even before that, WIA, made a requirement that there to be a labor market test for all training provided. So, there had to be an opening or openings in that specific training, however, since—since the Executive Order that was signed, all training has to take place within those sectors.

Governor: Okay. I mean, I was just doing the very rudimentary math, but it's \$24M, I mean, this is—

Nielson: It's a lot money.

Governor: --a lot of money. And, you know, our construction industry is getting back on its feet and we actually have a shortage of construction workers, where four years ago, I would've said, don't train—

Nielson: I remember us discussing that.

Governor: But now we do—

Nielson: Now we do.

Governor: So, I just want to make sure that we don't pay to teach somebody a skillset and then they still can't find a job when there's a whole lot of jobs out there.

Nielson: And that is the thoughts of our Department as well. We are very conscious of making sure that there is a valid labor market for all people trained in Nevada. We want to see every last dollar going to an appropriate training—it's hard for certain people. Certain people, they want to do what they want to do and so, you know, we've become adept at telling people, no but... this is—this is probably a better career path at this time in Nevada if you're wanting to go back to work, but we know you would like to do this and that's okay, but that's not always feasible in a certain labor market.

Governor: And, you're nimble enough that, as we bring in different types of industry that you can change course quickly?

Nielson: Right. Well, right now, it would have to be one of the identified sectors. Once the sector is identified, yes, then that spigot can be turned on for training.

Governor: Okay.

Nielson: So, it's just a matter of identifying a sector.

Governor: Wonderful. Well, if you could get me that information later—

Nielson: I will. I will get you the performance report for last year.

Governor: Thank you. Any questions Mr. Attorney General? Thank you very much.

Nielson: I'll get that to you.

Governor: And the last is the Contract #42, DCNR, Forestry Division.

Roper: Good morning Governor.

Governor: Good morning, good to see you.

Roper: Bob Roper, State Forester.

Governor: So, we got that Washington Fire completely out there?

Roper: Yes.

Governor: Congratulations. That's good work out there. So, let's talk about this. What do you got going here?

Roper: Okay. What—talking to the local cooperators of the Wildfire Protection Program, as we look at the areas that we need—that are hazardous, we're looking at what does NDF have? We have our own helicopters that we can provide service, but we're looking for those extreme fire conditions, what type of resources do they need. So, the very large air tanker, it's called a V-Lat is one of those tools that our cooperators would like to have in their toolbox. We can get this asset via our national contracts or our federal partners but those are seasonal contracts and so this gives us the capability when those contracts expire, that we can still access the very large air tanker, the DC-10, under a contract situation.

Governor: And, where does that DC-10, where is it parked?

Roper: Okay. There's two of them in their system. Okay—they're the only ones of a kind that carry that much and they're reloaded primarily out of Southern California is where they're based, but they're transitory in nature. Right now, they've been working in Canada on fires. But, for Nevada, they can be reloaded in Southern California, outside of Sacramento and today, the Bureau of Land Management is finishing up their inspections for a reload capability in Wendover. And so, it gives us good centralization. It takes about 15-20 minutes to reload once they're on the ground and then travel time.

Governor: They'd reload in Wendover?

Roper: That's what the plan is right now. That would be brand new this year.

Governor: On that big air strip out there that's in—I guess it's in Utah, technically.

Roper: Yes.

Governor: But, that's where they'd do it?

Roper: Yes. But, it gives us the capability that once it's in the air, from any one of those three, we're in the center, it's about a half hour to 45 minutes before it could deliver a load and it was used on the Washington fire.

Governor: Okay. And, just while you're here, how are we doing otherwise, with all these storms?

Roper: Right now, things are kind of reset. We're back to a neutral position. Everybody is getting reengaged and reoutfitted for the calm before the storm hits again.

Governor: Well, again, congratulations and I appreciated the opportunity to go out there but—I just marvel at how well you all do and thank you for what you do. Yeah.

Roper: Thank you.

Governor: And then, what was the technical correction on here, Mr. Wells, that you had referenced?

Wells: Yeah, if you look at the contract it says that the hourly rate—payment for services will be made at the rate of \$25.00 per hour.

Governor: Come on, isn't that right? That's a heck of a deal.

Wells: That would be an excellent deal—I will say that that will be a heck of a deal. The actual rate per hour is \$25,500.

Governor: One last question, what is—where is the threshold when you call in this big mamma bear to put out—you know, to fight—to work on the fire?

Roper: It depends on the—on the terrain. Being, it's a large plane, it can't go into canyons and come out, that's what we use the smaller seeds and the helicopters for. But, if we're painting a ridge line, as it's coming down, like along Carson Ridge here, that's a perfect area for the V-Lat to come into. So, it all depends on the topography that we're flying on and the weather conditions for that.

Governor: And, how much material does it lay down in a trip?

Roper: It does 11,200 gallons a trip and that's basically 50 feet wide by 2/3rds of a mile long and then it can do a split load if it needs to. So, it all depends on what the incident needs and what they're told to apply in the width and so forth.

Governor: Their accuracy is pretty—pretty good?

Roper: Very good.

Governor: All right.

Roper: And, what really makes those is, when you look at the cost, you always look at aircraft as the cost per gallon delivered, versus a helicopter to the C—to the DC-10. If you can get a quick, air reload capability like what we're having, the cost per gallon delivered to the fire is much lower overall than the other type of aircraft that are out there.

Governor: And, it's also safer for the fire fighters, I would imagine, on the ground?

Roper: Correct. Correct.

Governor: I mean, because you can get them to places where they perhaps could, but as you say, pretty difficult terrain.

Roper: Yeah. And the one thing we always point out is that, this is retardant that they're dropping out of the aircraft and it only slows the fire. We also have to have ground troops on the ground to make sure that we put a line around the fire.

Governor: Okay. All right. Any other questions? Thank you very much. So, do I need to—is part of the motion make that change or did we just fix that?

Wells: I think that would be justification. I have one other item, Governor.

Governor: Okay.

Wells: We've had to request to withdraw Contract #30, between the Department of Transportation and the Transportation Commission. We will bring that back to the August Board.

Governor: All right. Then if there are no further questions, the Chair will accept a motion to approve Contracts 1-42 as described in Agenda Item No. 8, with the exception of Contract #30.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. I will second the motion. All in favor say aye.

Attorney General: Aye.

Governor: Aye. Motion passes 2-0.

***9. FOR POSSIBLE ACTION – MASTER SERVICE AGREEMENTS ([Attached as Exhibit 3](#))**

Thirteen independent contracts were submitted to the Board for review and approval.

Clerk's Recommendation: I recommend approval.

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

Comments:

Governor: Let's move to Agenda Item No. 9, Master Service Agreements.

Wells: Thank you Governor, there are 13 master service agreements in Exhibit 3 for approval by the Board today and we have not received questions from additional—for additional information.

Governor: I have none.

Attorney General: I have none. Thank you.

Governor: If you move, the chair will accept motion for approval.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approve the MSAs as described in Agenda Item No. 9. I second the motion. All in favor say aye.

Attorney General: Aye.

Governor: Aye. Motion passes 2-0.

10. CONTRACTS APPROVED BY THE CLERK OF THE BOARD ([Attached as Exhibit 4](#)) – INFORMATION ITEM

Pursuant to NRS 333.700 subsection 7 (a), 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). Attached is a list of all applicable approvals for contracts and amendments approved from May 16, 2015 through June 16, 2015.

Fifty-five independent contracts were submitted to the Board for review.

Comments:

Governor: Agenda Item No. 10, which are contracts approved by the Clerk, it's an Information Item, Mr. Wells.

Wells: Thank you Governor. Item No. 10, there were 55 contracts under the \$50,000 threshold, which were approved by the Clerk between May 16, 2015 and June 16, 2015. There were no additional requests for information on any of these.

Governor: Any questions?

Attorney General: Move to approve.

Governor: Oh, we don't need information—

Attorney General: Oh, yeah, information, excuse me.

Governor: That's all right.

11. INFORMATION ITEMS

A. Department of Motor Vehicles – Complete Streets Program

Pursuant to NRS 482.480, subsection 11, the Department of Motor Vehicles shall certify to the State Board of Examiners the amount of the voluntary contributions collected for each county by the department and its agents, and that the money has been distributed as provided in statute. This report is for the period beginning March 1, 2015 and ending May 31, 2015.

Comments:

Governor: So, we'll move to Agenda Item No. 11, which are more information items for the Complete Streets Program as well as DETR.

Wells: Thank you Governor, Item 11A is a report from the Department of Motor Vehicles on the Voluntary Contributions Collected Pursuant to NRS 482.480, which is also known as the Complete Streets Program. This is for period of March 1, 2015 through May 31, 2015. During that period, the Department collected just over \$23,100, about 70% of that from Clark County, 26% Washoe County and the remaining 4% from Carson City. After deducting the 1% to administer collections, the Department did \$22,870 to the three counties with \$15,970 going to Clark, \$5,950 to Washoe and \$950 to Carson City. Since the program's inception in December, the Department has collected just shy of \$40,000 and distributed all but 1% of that out to the three counties.

Governor: And, will you remind me, what do the counties do with that money? What kind of projects, do you know?

Wells: No, I don't know what projects the counties do with that—that particular—

Governor: Safety projects, if my vague recollection?

Attorney General: I think that's right.

Wells: I think that is correct.

Governor: Yeah, okay. All right, any questions on Agenda Item No. 11?

Attorney General: Nope, thank you.

B. Department of Employment, Training and Rehabilitation

LESSEE		LESSOR	AMOUNT
Department of Employment, Training and Rehabilitation		Riverbend, LLC dba 5 th Street Storage	\$48,960
Lease Description:	This is a renewal of an existing lease for storage space.		
	Term of Lease:	07/01/2015 – 06/30/2017	Located in Carson City

Comments:

12. BOARD MEMBERS' COMMENTS/PUBLIC COMMENTS

Comments:

Governor: We'll move on to Agenda Item No. 12. Any Board Member comments? I have none.

Attorney General: I have none.

Governor: Public comment, any public comment here in Carson City? Any public comment from Las Vegas?

Las Vegas: No Governor.

***13. FOR POSSIBLE ACTION – ADJOURNMENT**

Clerk's Recommendation: I recommend approval.

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

Comments:

Governor: Move to Agenda Item No. 13. Is there a motion to adjourn?

Attorney General: Motion to adjourn.

Governor: Second the motion. All in favor say aye.

Attorney General: Aye.

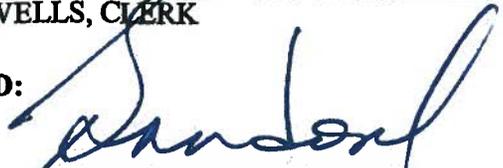
Governor: Aye. Motion passes 2-0. This meeting is adjourned, thank you ladies and gentlemen.

Respectfully submitted,

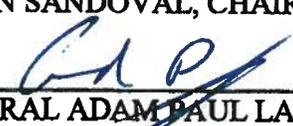


JAMES R. WELLS, CLERK

APPROVED:



GOVERNOR BRIAN SANDOVAL, CHAIRMAN



ATTORNEY GENERAL ADAM PAUL LAXALT

SECRETARY OF STATE BARBARA K. CEGAVSKE