

MINUTES

MEETING OF THE BOARD OF EXAMINERS

August 9, 2016

The Board of Examiners met on August 9, 2016, in the 2nd Floor Chambers of the Laxalt Building, 401 N. Carson St., Carson City, Nevada, at 10:00 a.m. Present were:

MEMBERS:

Governor Brian Sandoval
Attorney General Adam Paul Laxalt
Janet Murphy for James R. Wells, Clerk

OTHERS PRESENT:

Keith Wells, Department of Administration, Fleet Services
Rudy Malfabon, Department of Transportation
Dennis Gallagher, Office of the Attorney General
Roger Rahming, , Department of Education
Izzy Hernandez, Department of Motor Vehicles
Bryan Nix, Victims of Crime Program
Nicholas Trutanich, Attorney General's Office
Ellen Crecelius, Department of Health and Human Services
Steve Fisher, Department of Health and Human Services
Joe Freeland, Department of Conservation and Natural Resources
John Christophersen, Department of Conservation and Natural Resources
Ryan Shane, Department of Conservation and Natural Resources
Sean McDonald, Department of Motor Vehicles
Melaine Mason, Department of Employment Training and Rehabilitation
Dennis Perea, , Department of Employment, Training and Rehabilitation
Dr. Renee Cantu, Jobs for America's Graduates
Elizabeth Filpot, Job's for America's Graduates
Michelle Tewes, Specialist at Mohave High School
Kim Autderheide, Student at Mohave High School
Krysten McElroy, Student at Mohave High School
Joni Eastley, Nye County, Public Comment

A copy of the sign-in sheets of all of the attendees is available upon request: budget@finance.nv.gov

1. PUBLIC COMMENTS

Comments:

Governor: I will call the Board of Examiners to order. It will be just the Attorney General and me, the Secretary of State is excused. So, we will proceed with agenda item number 1 which is public comment, is there any member of the public here in Carson City that would like to provide comment to the Board? Hearing and seeing none, is there any public comment from Las Vegas? If you shake your head and say, all right. When I was a Judge, I would say, the court reporter cannot pick up a nod or a shake, so I will say for the record that there has been a shake of the head in Las Vegas indicating that there is no public comment from Las Vegas.

*2. FOR POSSIBLE ACTION – APPROVAL OF THE JULY 12, 2016 BOARD OF EXAMINERS’ MEETING MINUTES

Motion By: Attorney General Seconded By: Governor Vote: 2-0

Comments:

Governor: We’ll proceed to agenda item number 2 which is the approval of the July 12, 2016 Board of Examiners Meeting Minutes. Mr. Attorney General, have you had the opportunity to review the minutes and do you have any changes?

Attorney General: I have Governor and I have no changes.

Governor: Is there a motion for approval?

Attorney General: I move to approve.

Governor: Attorney General has moved for approval of the July 12, 2016 Board of Examiners Meeting Minutes. I second the motion. All in favor please say aye. [ayes around] That motion passes 2-0.

*3. FOR POSSIBLE ACTION – STATE VEHICLE PURCHASES

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	2	\$62,950
Department of Agriculture – Registration/Enforcement	1	\$6,586
Department of Public Safety - Investigations	3	\$87,750
Department of Wildlife	12	\$439,715
Total	18	\$597,001

Motion By: Attorney General Seconded By: Governor Vote: 2-0

Comments:

Governor: We'll move on to agenda item no 3 which is State Vehicle Purchases.

Janet Murphy: Thank you Governor. Item number 3 is a request for State purchased vehicles. The first item is from Department of Administration, Fleet Services. This is for two vehicles to replace two vehicles that were in a wreck. The second request is from the Department of Agriculture, Registration/Enforcement. This is to request one used pick-up truck. They were approved for this purchase by the Interim Finance Committee. The third request is from Department of Public Safety, Investigations. This is a request for three replacement vehicles that were approved in their 2017 budget. The fourth request is from the Department of Wildlife to replace 12 vehicles that were also approved in their 2017 legislatively approved budget.

Governor: Thank you and just for purposes of the record, I know Mr. Wells you're here but for those two automobiles or vehicles that were wrecked, we did get insurance proceeds for those to help defray the cost of this purchase correct?

Keith Wells: Good morning Governor, Members of the Board, for the record Keith Wells, Fleet Services Administrator. To answer your question Governor, yes we did.

Governor: Do you recall how much we got?

Keith Wells: \$29,000 for one of them and \$5,000 for the next.

Governor: Well, that's what you buy insurance for, right?

Keith Wells: Yes.

Governor: All right. Thank you. Mr. Attorney General, any questions?

Attorney General: No Governor, thank you.

Governor: All right. If there are no further questions, the Chair will accept a motion to approve the state vehicle purchases as presented in agenda item number 3.

Attorney General: I move to approve.

Governor: Attorney General has moved for approval. I second the motion. All in favor say aye. [ayes around] That motion passes 2-0.

***4. FOR POSSIBLE ACTION – STATE ADMINISTRATIVE MANUAL**

The State Administrative Manual (SAM) is being submitted to the Board of Examiner for approval of additions and revisions in the following chapters:

- 1. 0000 Introduction**
- 2. 0100 BOE Policies**
- 3. 0600 Administrative Procedures**
- 4. 0700 Open Meeting Law**
- 5. 3500 Group Insurance**

Motion By: Attorney General

Seconded By: Governor

Vote: 2-0

Comments:

Governor: We'll move on to approval of additions and revisions to the State Administrative Manual.

Janet Murphy: Thank you. Item 4 seeks approval to revise the State Administrative Manual, also referred to as SAM for the Introduction Chapter, Chapter 100 which is the Board of Examiners Policies, Chapter 600 which is Administrative Procedures, 700 for the Open Meeting Law, and 3500 for Group Insurance. This is the first of several requests that will come before the Board. The Governor's Finance Office in conjunction with the Attorney General's Office and Department of Administration is reviewing all sections of SAM and proposing updates to address the split of the Governor's Finance Office from the Department of Administration to insure the information is still applicable and also streamline the chapters by linking to NRS and NAC versus restating them. We hope to have another group of chapters at the October Board of Examiners Meeting.

Governor: Are there any substantive changes, big policy changes that need to be—we need to make a record on?

Janet Murphy: Not in this group Governor.

Governor: So, it's just basically changes in verbiage, like you said, associated with the split of the Office of Finance, etc.

Janet Murphy: And, I'd also note that we did post these changes on our website for 30 days to allow the agencies to provide feedback if they wanted to and we did not receive any feedback.

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

Attorney General: No Governor.

Governor: The Chair will accept a motion for approval.

Attorney General: I move to approve.

Governor: All right. Attorney General has moved to approve the additions and revisions to the State Administrative Manual as presented in agenda item number 4. I second the motion. All those in favor say aye. [ayes around] That motion passes 2-0.

***5. FOR POSSIBLE ACTION – APPROVAL TO PAY A CASH SETTLEMENT**

Pursuant to Article 5, Section 21 of the Nevada Constitution, 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 – \$5,000,000

The department requests settlement approval in the total amount of \$5,000,000 to fully resolve an eminent domain action to acquire 10.88 acres of real property owned by K&L Dirt Company LC, located at 12451 Old Highway 95 for the Boulder City Bypass. NDOT previously deposited \$2,083,000 with the Court for a right of occupancy. The defendant was paid \$1,333,333 in September of 2012 for estimated relocation costs as part of the settlement. This payment will be reimbursed prior to the final settlement. NDOT now requests an additional \$5,000,000 to resolve the action. Approval of the additional amount of \$5,000,000 and reimbursement of \$1,333,333 would bring the total to \$7,083,000.

Motion By: Attorney General

Seconded By: Governor

Vote: 2-0

Comments:

Governor: We'll move on to agenda item number 5 which is approval to pay a cash settlement.

Janet Murphy: Thank you. Item 5 requests for approval of a cash settlement from the Department of Transportation in the amount of \$5,000,000 to fully resolve an eminent domain action to acquire a 10.88 acre real property for the Boulder City Bypass. Approval of the additional \$5,000,000 and reimbursement of a relocation cost in the amount of \$1,333,330 would bring the total settlement to \$7,083,000. Representatives from the Department of Transportation are available to answer any questions the Board may have.

Governor: Morning Mr. Gallagher, Director Malfabon. Please proceed.

Rudy Malfabon: For the record, my name is Rudy Malfabon, Director of Nevada Department of Transportation. With me is Dennis Gallagher, our Chief Counsel from the Attorney General's Office. This settlement is related to the Interstate 11 project in Southern Nevada which NDOT refers to as the Boulder City Bypass Phase 1. We have a construction contract underway for approximately \$83 million and NDOT's project ties into the RTC of Southern Nevada's project on I-11 which is approximately \$318 million project.

NDOT filed the eminent domain action on the K&L Dirt Parcel on July 31, 2012. We previously provided \$1,333,330 for relocation expenses to the owner. They were considering relocating their business but eventually we were able to modify our design and they determined that it was—they were able to keep their business in operation on the remaining property. The owner will reimburse NDOT approximately \$1.3 million in unexpended relocation expenses.

NDOT modified its project design reducing the property that we needed to construct our project and reducing it from 17 acres down to about 10.9 acres. We eliminated the frontage road through their property. We consolidated the utilities into a single corridor and tucked it in as closely as we could to the freeway embankment. We also provided access to the property from the new interchange which is currently under construction.

We believe this settlement is in the best interest of the state. K&L Dirt has operated their heavy equipment business there for about—over 20 years. We felt that a jury would be sympathetic to their case. They've operated for a while and here we come in with our project and having some impacts on their business. The Land Owner's Council would argue that this was a Special Purpose Property which is a very complex legal issue and we felt that on those complicated matters related to eminent domain, a jury will often get confused and the jury will split the difference. So, we had deposited a

certain amount. They were willing to, or prepared to, argue that their value was set at above \$30 million. We believe it is in the best interest to not go to court with this complex issue and reach a settlement with this new money of \$5 million. It also compensates K&L Dirt Company for nearly two acres of permanent utility easements valued at about \$550,000 per acre. It also addresses any potential damages to the operation of their business on the remaining property.

So again, we believe it's in the best interest of the state for this settlement. Our Chief Deputy Attorney General, Dennis Gallagher is prepared to answer any legal questions related to this settlement.

Governor: Thank you Director Malfabon. Dennis, on this, are we using outside counsel on this case?

Dennis Gallagher: For the record, Dennis Gallagher. Governor, outside counsel was involved in this case as well as Attorney General Deputies.

Governor: So, do you know how much we've already spent on legal fees in this case?

Dennis Gallagher: If you asked me yesterday at the Transportation Board Meeting. Off the top of my head Governor, I think around \$300,000.

Governor: Yeah, no it's a significant amount and I'm getting to my point. We're out \$300,000, we're out your time, at least on our side of the equation. What would you expect the attorney fees demand to be on the other side from inception of the case through jury trial, with expert fees?

Dennis Gallagher: \$500,000 easily.

Governor: Easily. And the demand in this case was \$30 million?

Dennis Gallagher: Just under \$31 million.

Governor: And that. We'll call it \$31 million is just for the partial taking as Director Malfabon talked about.

Dennis Gallagher: Both the property and damage to their business operations.

Governor: Yes. And, as you know, the challenge in these cases is this, it's not a matter of whether, it's a matter of how much. They get an award from a jury, I guess not considering an offer of judgment, if they get that, they're going to get their attorneys fees as well. So we have to factor all that in. That's why, where I'm getting to as my point is, the net-net of all this is we're paying a little over \$7 million to settled this case when the exposure was possibly \$31 million plus attorney's fees and costs. Director Malfabon has already said, this is in the best interest of the state, I typically ask that question as well, but so on the state's side, I think this is a great result. We've minimized our exposure in this case. We've provided some certainty for the taxpayers and for the project.

At the same time, a compliment to the Nevada Department of Transportation because instead of just being stubborn and saying this is going to be our route, you redesigned it so this company could keep a family owned business, stay in business, get compensated for that taking that occurred and get a fair payment for it. We've been a good steward of taxpayer money in terms of that payment but at the same time, allowing them to conduct their business. Where I'm going is, I want to make a record about, this is a good settlement not only for the State but as well as the property owner. Also, we

really did take some extraordinary means to try to make this work well for everybody. I know that we endeavor to do that in almost—not almost, in every case. This really was a good result for everybody and allows this project to continue.

My last question is this, is this the final property acquisition for the Boulder City Bypass?

Rudy Malfabon: Yes Governor, it is the final acquisition.

Governor: Maybe this is a question more for Board of Transportation, but did we end up above or below what we had estimated for property acquisition on this project?

Rudy Malfabon: What I heard recently was, we ended up substantially below what we budgeted for the property acquisitions.

Governor: Which is great. As part of this project, there as another property issue where the initial demand was in excess of \$100 million and we ended up, I think resolving that case \$4 million to \$6 million, somewhere in that range. Again, you've worked really hard on this and to come in below frees up that money for other projects.

Rudy Malfabon: Yes, it does free up money to be put to use on other projects.

Governor: Mr. Attorney General, any questions?

Attorney General: I have no questions. I move to approve.

Governor: Any further presentation gentlemen? All right. If there are no further questions, the Chair will accept a motion to approve a cash settlement in the sum of \$5,000,000 as presented in agenda item 5. The Attorney General has moved for approval. I second the motion. All in favor say aye. [ayes around] That motion passes 2-0. Thank you very much.

***6. FOR POSSIBLE ACTION – APPROVAL TO PAY FROM THE STALE CLAIMS ACCOUNT**

A. Department of Education – \$111,797

Pursuant to NRS 353.097, subsection 4, the Department of Education requests approval to pay \$111,797 from the Stale Claims Account for a 2015 invoice for the Nevada Pre-Kindergarten Education program from White Pine County School District.

Motion By: Attorney General

Seconded By: Governor

Vote: 2-0

Comments:

Governor: Let's move to agenda item number 6 which is approval to pay from the Stale Claims Account, Department of Education.

Janet Murphy: Thank you Governor. Item 6 is a request from the Department of Education to pay a stale claim in the amount of \$111,797 for a 2015 invoice for the Nevada Pre-Kindergarten Education program from White Pine County School District. They received the invoice September 2015 and they

paid it in fiscal year 2016. They discovered this error and this would just correct an accounting error. The Agency did revert sufficient funding to cover the stale claim out of the Stale Claims Account.

Governor: Okay. My only question is, some of these smaller counties have challenges in terms of being aware of all the policies and procedures. White Pine County in particular is struggling, their School District, so this is a good thing, this payment. Are these all presented or do we send someone out there to make sure that they know what the processes are so that this doesn't happen again?

Janet Murphy: I believe somebody from the Department is here that can help explain.

Roger Rahming: For the record, Roger Rahming, Deputy Superintendent. To my right, Andrea McCalla, she's the Director of Budgeting. The question, is there adequate information given to the smaller districts. There really is. We have a new grants unit which has been in existence for a little bit less than 12 months. There's a direct communication with the various districts. This really happened in 2015. So again, we do a lot of outreach to them. We work very closely when these types of issues occur, providing some guidance to them that this should've actually been a stale claim moving forward. So, again, we do reach out to those districts and again, there is some guidance provided.

Governor: And I typically wouldn't bring this up but White Pine has that budget gap, as you know. I just want to make sure, this is found money for them, essentially. They really need it. They probably could've used it sooner rather than later. I want to make sure, because we have more resources that we're reaching out to them and letting them know that they've got money coming to them.

Roger Rahming: I've actually, again, for the record, Roger Rahming, Deputy Superintendent. I've spoken to White Pine, probably five times in the last two weeks about various issues, this being one.

Governor: This is a massive amount of money for White Pine County, so it's a good thing. Thank you very much. Any questions Mr. Attorney General?

Attorney General: No Governor.

Governor: All right, thank you. If there are no further questions, the Chair will accept a motion to approve payment from the Stale Claims Account from the Department of Education in the sum of \$111,797 to White Pine County School District.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. I second the motion. All in favor say aye. [ayes around] That motion passes 2-0.

***7. FOR POSSIBLE ACTION – REQUEST FOR GENERAL FUND ALLOCATION FROM THE INTERIM FINANCE COMMITTEE CONTINGENCY ACCOUNT**

A. Department of Motor Vehicles – \$198,000

Pursuant to NRS 353.268, the department requests an allocation of \$198,000 from the Interim Finance Committee Contingency Account to purchase an additional server to provide voter data and signatures to the Secretary of State and County Clerk offices. ***This request is contingent upon Interim Finance Committee's approval of a pending action item.**

Comments:

Governor: We'll move on to agenda item number 7 which is a request for General Fund Allocation from the IFC Contingency Account by the Department of Motor Vehicles in the sum of \$198,000. That's right, that one is going to be pulled from the agenda. I just remembered that. Thank you. We will skip over agenda item number 7 and continue that to a future meeting.

8. FOR POSSIBLE ACTION – AUTHORIZATION TO CONTRACT WITH A CURRENT AND/OR FORMER EMPLOYEE*A. Governor's Finance Office - Budget**

Pursuant to NRS 333.705, subsection 1, the division requests to contract with former employee, Leah Lamborn and former employee, Stephanie Day to assist with the preparation of the Governor's Executive Budget, as needed, during the 2017 legislative session.

B. Department of Motor Vehicles

Pursuant to NRS 333.705, subsection 1, the department requests authority to contract with former employee Arun Kumaran through Program Manager MSA. Mr. Kumaran is being represented by QA Technologies.

Comments:

Governor: We'll move on to agenda item number 8 which is authorization to contract with a current and/or former employee by the Governor's Finance Office, as well as Department of Motor Vehicles.

Janet Murphy: Thank you Governor. Item 8 includes two requests to contract with current and/or former employees pursuant to NRS 333.705, Subsection 1. The first request is from the Governor's Finance Office to contract with two former state employees to assist in the preparation of the Governor's Executive Budget and as needed during the 2017 Legislative Session. The contractors will work approximately 20 hours per week from September through the middle of January at a proposed hourly rate of \$63.00. The contractors will provide the support as needed during the 2017 Legislative Session.

The second request is from the Department of Motor Vehicles to contract with an employee who is now employed by QA Technologies, which is a Master Service Agreement Contractor with the State. The contractor will assist with the system modernization project.

Governor: All right, a couple of questions and I ask these for all of these. Part of the issue here is these are long-term state employees who are the best. I mean, they are really good at what they do. Ms. Lamborn is an expert in Medicaid Financing, which I think there are only two people in the State that know it as well as the two of them do and one of them is my Chief of Staff, who is in the audience and Leah, and it's very complex. We do have somebody within the office who is learning that

Medicaid but is going to need that assistance. The point I'm making there is, Ms. Day and Ms. Lamborn are here on a temporary basis and will be training up those that are in the office and preparing them for the next round. Then, with regard to DMV, could you provide a little more background on that one.

Izzy Hernandez: Thank you Governor and Members of the Board. For the record my name is Izzy Hernandez, I'm the Program Manager for System Modernization. As we have moved along with the project, we determined that we needed project managers because of the complexity and all of the functions that we need to migrate over. We put a request out for project managers, contract project managers and Mr. Kumaran was submitted by one of the MSA Vendors. We in turn then had a committee, if you will, that does the interview, as well as the selection on that and Mr. Kumaran was selected as one of the resources. His experience was that he has been with the DMV for several years. He resigned approximately 14 months or so ago. At that point, he's obviously available to provide that service. We believe his expertise with what we currently do at the DMV will help us as we do the conversion, as we migrate forward.

Governor: Thank you. Moving back to the first portion of that, with regard to Ms. Lamborn and Ms. Day, save us some money on overtime?

Janet Murphy: Thank you Governor. Yes, they will save us some money on overtime. That's actually how we plan to pay for these three contracts at the end of the day. Also provide us, since they're only working part-time, 20 hours, that fresh perspective that we desperately need at the end of the Governor's Recommended phase.

Governor: Mr. Attorney General, any questions?

Attorney General: No Governor.

Governor: All right. If there are no questions, the Chair will accept a motion for authorization to contract with a current and/or former employee as presented in agenda item number 8.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. I second the motion. All in favor say aye. [ayes around] That motion passes 2-0.

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

A. Department of Health and Human Services – Child and Family Services

The division is requesting Board of Examiners' approval of the following provider agreement forms to enable them to enter into an agreement for the service of:

- Case Managers for face to face out of state visitation

Motion By: Attorney General

Seconded By: Governor

Vote: 2-0

Comments:

Governor: We'll move on to agenda item number 9 which is authorization to approve a provider agreement.

Janet Murphy: Thank you Governor. Item 9 is a request from the Department of Health and Human Services, Division of Child and Family Services, for the Board to approve a new provider agreement. This request would allow the division to contract with out-of-state case managers to perform site visits to out-of-state juvenile placements in order to meet the monthly face-to-face visit requirement without incurring the time and related costs to travel to out-of-state locations. I believe representatives from the division are available to answer any questions the Board may have.

Governor: Thank you. I have no questions, it's pretty standard. Mr. Attorney General, any questions?

Attorney General: No questions, thank you Governor.

Governor: Chair will accept a motion to approve the authorization for a provider agreement as described in agenda item number 9.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. I second the motion. All in favor say aye. [ayes around] That motion passes 2-0.

***10. FOR POSSIBLE ACTION – APPROVAL OF VICTIMS OF CRIME PROGRAM POLICIES**

The Board of Examiners is the governing authority of the Nevada Victims of Crime Program. NRS 217.130 empowers the Board to adopt rules and regulations while NRS 217.150 requires the Board to formulate standards for the payment of compensation to Victims of Crime. The Victim of Crimes Program Policies were last updated and adopted by the Board in May 2014. The current revisions are largely clarifications and minor changes to existing policies.

Motion By: Attorney General

Seconded By: Governor

Vote: 2-0

Comments:

Governor: We'll move to agenda item number 10, approval of Victims of Crime Program policies.

Janet Murphy: Thank you. Item 10 is a request from the Department of Administration, Victims of Crime Program for approval of their policies pursuant to NRS 217.130. I believe there's a representative in Las Vegas if you have any questions.

Bryan Nix: Good morning Governor, Members of Board, my name is Bryan Nix. I'm the Coordinator of the Victims of Crime Program.

Governor: Good morning.

Bryan Nix: These changes to our policies are mostly clean up items, which I don't need to go through each of the bullet points but I would like to talk just for a moment about bullet point number 3, which is a main reason we're here with these changes to our policies. As you may recall, the legislature last session eliminated any cap we had on how much money we could pay on claims. That limit used to be \$150,000. This eliminates that cap entirely. The money that we use beyond that cap is so far only on one claim which was the Hayden Jaycock which they actually got a bill sponsored in legislation to remove this cap. He's the young man who was shaken as a baby, paraplegic, breathing apparatus, has to be fed. He's on a claim. He's a young man. There's no other sources of benefits, such as social security, etc. We anticipate continuing to pay him for as long as he needs care. Essentially, what we're paying for him now is simply home care and some medical device equipment. That's about the main change. That change is found on Page 34, where you can see the strike outs from the previous language in the bill and some new language about nursing care which is not really related to that cap lifting. So, unless you have any questions on any other items or on this item, that's really all I have to say about it.

Governor: Thank you Mr. Nix. These are straight forward. I do have a question whether you had an opportunity or has anybody reached out to you from Panaca as a result of that bombing that occurred out there?

Bryan Nix: Not to my knowledge, however, I don't often get involved when the claims first come in the office. Only in cases of appeals or I have to approve benefits beyond what our current \$35,000 claim cap is. Unless we've had a case that would go beyond that cap, I wouldn't probably be involved in that. I haven't heard anything further.

Governor: All right, thank you. Mr. Attorney General, any questions?

Attorney General: No Governor, thanks.

Governor: If there are no questions, the Chair will accept a motion to approve the changes in the Victims of Crime Program policies as presented in agenda item number 10.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. I second the motion. All in favor say aye. [ayes around] That motion passes 2-0.

***11. FOR POSSIBLE ACTION – APPROVAL OF A VICTIMS OF CRIME APPEAL**

Pursuant to NRS 217.117, Section 3, the Board shall consider the appeal on the record at its next scheduled meeting. The Board may affirm, modify or reverse the decision of the Appeals Officer.

- Appeal by Jane Heller

Comments:

Governor: Agenda item number 11, my understanding is that matter is going to be continued. Just by way of background, the Appellant in this case had sought to participate via telephonically and it was my request that she participate physically and be present. We've done that before and so we've continued this matter to a time that's convenient for her to be able to appear.

Janet Murphy: Correct Governor. I spoke with her last night. We gave her the date of the September BOE and the time and where she could meet.

Governor: And that's Ms. Heller, correct?

Janet Murphy: Correct, that's Ms. Heller.

Governor: Thank you.

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

Motion By: Attorney General Seconded By: Governor Vote: 2-0

Comments:

Governor: We'll move to agenda item number 12 which are leases.

Janet Murphy: Thank you Governor. There are seven leases in Exhibit 1 for approval by the Board this morning. No additional information has been requested by any of the Members.

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

Attorney General: No questions, thank you.

Governor: All right, is there a motion for approval?

Attorney General: Move to approve.

Governor: The Attorney General has moved to approve the leases presented in agenda item number 12. I second the motion. All in favor say aye. [ayes around] That motion passes 2-0.

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

Motion By: Attorney General Seconded By: Governor Vote: 2-0

Comments:

Governor: We'll move to agenda item number 13.

Janet Murphy: There are 27 contracts listed in Exhibit 2 for approval by the Board this morning. Members have requested additional information on the following: Contract 1, between the Attorney General's Office and Bancroft Associates. An overview of the Contracts 11-13, which are between the Department of Health and Human Services, Division of Healthcare, Financing and Policy and Clark County. Contract 17 between the Department of Health and Human Services, Welfare and Supportive Services and Acuity Asset Verification Services. Contract 21 between the Department of Conservation and Natural Resources, Forestry Division and Timmons Group. Contract 22 between Department of Motor Vehicles, Central Services and Intellectual Technology, Inc. Contract 23 between Department of Employment, Training and Rehabilitation and Western Nevada College. Contract 24 between Department of Employment, Training and Rehabilitation and Jobs For Nevada Graduates.

Governor: We'll commence with Contract 1. Good morning gentlemen.

Nicholas Trutanich: Good morning Governor, Nick Trutanich on behalf of the Attorney General's Office. Here at the table with me is our Solicitor General, Lawrence Van Dyke. The Attorney General seeks approval for a contract with Former Solicitor General, Paul Clements's law firm, Bancroft LLP. The contract is for \$125,000. It's a fixed fee and discounted rate contract. The scope of work in that contract is defined as having Bancroft be required to provide expedited assistance in the appeal at the Nevada Supreme Court in the Duncan matter. The ESA matter from Clark County. The contract is retroactive to the date on which the ACLU filed its Notice of Appeal in that case, sometime in mid-June 2016.

Previously this body has approved three contracts with Bancroft, with respect to the ESA litigation. First in October 2015, it was a \$10,000 contract for an initial assessment on the case. The second contract was approved by this body, unanimously in 2015, November, for \$285,000. That contract again was a fixed fee and discounted rate contract for representation at the District Court in both the Lopez and Duncan matters. Finally, in March 2016, this year, this body unanimously approved a \$125,000 contract for expedited assistance in all constitutional and legal matters in the Lopez case at the Nevada Supreme Court. The Office of the Attorney General does not often hire outside counsel, but when it does we endeavor to get the best representation that we possibly can or that we can reasonably afford. The \$545,000 on aggregate that will be spent should this body approve this contract with Bancroft is a substantial sum but in context, it's actually a bargain.

I want to talk about and give the body some context about why that is. The Attorney General's Office has taken an active role in managing outside counsel costs in the last year and a half. Proceeding Attorney General Laxalt's term in office, the three or four years proceeding that, \$25 Million was paid to outside counsel from the State. We have been trying to reduce that number since we got into office. A good example of that, Governor, is the City of San Francisco case where before we got into office, the Attorney General got into office, there was \$2.08 million spent on litigation and in the subsequent 13 months that we were involved in the case we spent 5% of that, about \$120,000 on outside counsel and favorably settled that case after employing a litigation strategy at the United States Supreme Court.

A component of actively managing outside counsel is also in the form of the contract that is entered. In this particular contract, we entered a fixed fee contract. What that is is we know a definite sum of what this litigation is going to cost. We don't have to keep coming to this Board for approval when we need additional contract authority. So, for example, on aggregate, Bancroft billed 2,000 hours to each of those four contracts. If the State were billed at its normal rate, we would have paid an excess of \$1.5 to \$1.6 million. We paid \$545,000 in aggregate should this Board approve today's contract. So, essentially we've saved \$1 million in being creative in how to enter into outside counsel contracts.

The next important point with respect to this contract and the others that I mentioned is the speed with which this contract allowed us to litigate this matter. The message was clearly sent from Nevada families that clarity was needed on an expedited basis for this important law. We were able to litigate two cases, both Duncan and Lopez in 11 months. That is the fastest that any school choice education litigation has been litigated in modern American history. For example, it took Colorado four years to get a decision from their Supreme Court. Florida, six and a half years to get a decision from their Supreme Court. Ohio, three and a half years for a decision from their Supreme Court. Wisconsin, three years for a decision from their Supreme Court. With that as background, I'm happy to answer any questions that you might have.

Governor: Thank you. The net-net is \$525,000 in fees—what’s the total amount?

Nicholas Trutanich: The net-net math in public is embarrassing, but the net-net would be \$545,000.

Governor: Okay. It’s fine. I’ve been very supportive of this. Obviously we’re all awaiting the decision of the Supreme Court in both these cases. They’ve both been argued and submitted. I’m sure you’re as eager as I am to hear the outcome on those. So you don’t expect any more requests for money?

Nicholas Trutanich: I was anticipating that question. I’m hesitant to say emphatically, no, without reading the Supreme Court’s opinion. As you know—but, so it’s highly unlikely.

Governor: The only reason is this, this money is coming out of the Statutory Contingency fund. As least in my discussions with the Budget Office, with the payment of these fees and we still have over a year to go, it puts us in a bit of a precarious position in the event there’s some other type of emergency or request. This wasn’t something that was anticipated when we built the budget last time. Again, I agree with you, I understand that it depends on what the decision of the Nevada Supreme Court is, but in terms of having to manage the Statutory Contingency fund, if you become aware, will you let us know if there’s going to be further requests.

Nicholas Trutanich: Yes, Governor, thank you.

Governor: All right. Mr. Attorney General, any questions?

Attorney General: No, thank you Governor.

Governor: All right, thank you gentlemen. The next are Contracts 11, 12 and 13. They involve substantial sums of money but it’s money that’s actually coming to the State, but will you take us through that please.

Ellen Crecelius: Sure. Good morning. I’m Ellen Crecelius, Deputy Director for Fiscal Services at DHHS. With me at the table is Jan Prentice, she’s the Chief of Reimbursements, Analysis and Payments at the Division of Healthcare, Finance and Policy. These contracts relate to three of Medicaid’s supplemental payment programs. In each case, basically what happens is the Counties provide us with funds, which we then match with federal funding to pay supplemental payments. Also in each case the State retains some of the savings and we’re able to use it to offset general fund for Medicaid medical expenditures.

So, in these three contracts, we’re basically bringing in \$96 million in funds provided for FY ’17. The supplemental payments we’ll make is \$164 million and then the savings to the State is \$38 million. So that’s a pretty good deal for us. This is a great example of the partnership we have with the Counties and it provides a lot of benefit to the state. We’re able to support the hospitals and graduate medical education in the state. We’re able to improve access to healthcare for Nevadans and also offset General Fund, so it’s a win-win.

Governor: It’s a game changer for UMC, I would imagine. With the amount of money that Clark County gets back. As you said, they don’t put that money in and we’re not able to provide the match. I guess the one issue that gets left out is the number of people that get cared for as a result of that. I

don't know if you can estimate the number of patients, but that's a lot of money that provides care for folks that wouldn't otherwise get it, correct?

Ellen Crecelius: Right. We don't have those numbers with us but we could certainly look into it and determine how many patients at UMC are Medicaid clients.

Governor: Again, what was the amount that is an offset to the General Fund budget?

Ellen Crecelius: \$38 million in FY '17.

Governor: That's \$38 million that we can put towards K-12 education or a number of other things. It's probably the most complex thing that I have to confront with regard to this Medicaid math, but in this sense, it works out extremely well for the state and brings back millions of dollars. It's a good deal for the State and it's a good deal for patient healthcare, so keep up the good work.

Ellen Crecelius: Thank you.

Governor: Thank you. Mr. Attorney General, any questions?

Attorney General: No Governor, thank you.

Governor: Thank you. Next is Contract No. 17 which is HHS, Welfare and Supportive Services and Accuity Asset Verification Services. Good morning.

Steve Fisher: Good morning. For the record, Steve Fisher. I'm the Administrator for the Division of Welfare and Supportive Services. I have to my left Dave Stewart, he's the IT Manager for our Division. This is a contract with Accuity to provide web based services, an asset verification service. Per federal regulations, recent federal regulations, all states must implement an asset verification system.

The division serves about, just over 623,000 Nevadans who are on Medicaid. However, this asset verification really only applies to the aged, blind and disabled (ABD) Medicaid categories, which consist of about 35,000 individuals. What this application will do for us is it will help streamline our Medicaid business process. It will improve our program integrity. It will meet federal regulations. It will also save the state approximately, we estimate about \$4.3 million annually.

Maybe an example of how this process might work, let's just say for example, you're over age 65, you go into a nursing facility. In most cases, a family member or maybe the hospital will apply on your behalf. Certainly they'll do their best to find out what assets you have and they'll provide that information to the division and the division will then do the eligibility process. Well now, the division will have this tool, this electronic tool where they'll be able to check assets and verify that the assets and the information that you provided to us is correct and if not, we may find some additional assets that the individual may have which could make them ineligible for the program, potentially if they have assets that take them over the limit.

That's basically how the process would work in a nutshell. With that, if you have any questions, certainly, I'm here to answer them.

Governor: Thank you Mr. Fisher. Mr. Attorney General?

Attorney General: Thank you. I think you answered my question with your \$4.3 million figure, I just was curious how much fraud you anticipate that this program routing out? I think you covered it, thank you.

Governor: Actually, follow-up to the Attorney General's question, historically, has there been a lot of fraud and abuse in the ABD category?

Steve Fisher: For the record, Steve Fisher. No, we haven't found a lot of fraud in there and really this is an integrity check. We're not doing it to find fraud, of course in certain cases, we may find some. Historically, no, not a lot of fraud in ABD program.

Governor: It's the old Reagan-ism, Trust but Verify, right?

Steve Fisher: Yes, correct.

Governor: Any further questions? All right, thank you very much. We'll move to Contract 21, which is the Department of Conservation and Natural Resources, Forestry.

Joe Freeland: Good morning Governor, Members of the Board. Joe Freeland, State Forester for Nevada, Division of Forestry. To my left I have John Christophersen, he's our Natural Resources Program Manager. To his left will be Ryan Shane, he's our Forest Management Program Supervisor, handles grants and agreements and supervises the forestry. We'll open it up to any specific questions you may have.

Governor: Thank you Mr. Freeland. There's a bit of a bait and switch on my part. I frankly brought you up to thank you. And, I know this has been a tough fire season and you guys have really been up to the challenge everywhere. We've had our fires. You, in combination with the local and federal assets, have really done a good job. I've always appreciated, respected what you all do. It really brought it home, out in Winnemucca when we lost those two young men, the BLM f

irefighters. I wanted to publicly acknowledge you all. It's not just you, it's your entire organization. I know the fire season isn't complete yet. There's hopefully not much that is going to happen between now and the end of fire season, but you have done an amazing job and saved lives and saved structures and saved habitat of endangered species. It's just remarkable about what you all do. I wanted to publicly thank you for all that. Back to business, if you could provide a brief description of what this contract does and what this new tool will do.

John Christophersen: Good morning Governor and Members of the Board, John Christophersen, Natural Resources Program Manager with Division of Forestry, for the record. We are seeking approval of a contract with the Timmons Group that would produce an internet based interface that would allow access to information that our agency has, geographic information system data, reports that we have on Community Wildfire Protection Plans, wildfire hazards across the state that have been identified and documented. Currently access to much of this information is limited, just based on how the format that information exists in. This internet based interface, we're calling it a web portal, would allow not only the public but professional users to access that and generate reports based on their specific queries and essentially just provide a greater amount of clarity to those seeking information about natural resource issues. Be it urban forestry, sage-grouse habitat, wildfire hazards, projects that we're working on. The web portal would also serve as a tool that would allow greater collaborative planning on a landscape scale, identifying areas across the state where different agencies are

collaborative partners; be it federal government, state and local governments are identifying and working on habitat and forest health related projects. So, doing this allows us to strategize and strategically locate our efforts that coincide with theirs to get a bigger bang for the buck, at a landscape scale. If there's no further questions on that, I would defer to my partner here, Ryan Shane, to talk about another aspect of that program which is the Wildfire Risk related function.

Ryan Shane: For the record, Ryan Shane, Forestry and Fire Cooperative Program Coordinator with Nevada Division of Forestry. We have an additional arm of this web portal that's actually going to address what I consider a keystone portion of wildland firefighting which is communication. It's very hard in a chaotic atmosphere when we're chasing fire and its approaching citizens and their structures, to do the right thing all the time and stay connected and have a unified front. Especially with our co-operators. This interface would allow people in the field, using electronic devices such as a cell phone or iPad to map fires, to assign resources to the fire, see them visually, real time, either from dispatch, from our office or from the field where they're at on the fire and how they're approaching firefighting. Also find opportunities to be more effective on the fire. That's something that hopefully will be in place next fire season and can be extended to all levels of cooperation: state, local and federal.

Governor: You just hit on a really important point which is, if you are a member of the public and you are within a fire or in close proximity to a fire you will be able to use this tool and be able to see exactly where it is instead of kind of wondering or waiting for that knock on your door. Is that a fair assessment?

Ryan Shane: That is a fair assessment. The public will not get the data quite as fast as the firefighters on the ground but this exercise definitely seeks to advance the speed at which the public gets the information. That's it.

Governor: Will it also be able to accept information, for example, if we have a drone up there and it's assessing the fire and is it receiving real time data and then direct it to you so that you can deploy your resources based on what the drone is seeing?

Ryan Shane: That is correct. That is the functionality of the application that we're employing. You can literally watch a drone fly over and then watch the photographs of the, say fire intensity, the hotspots on the fire, land on to your cell phone in real time on the perimeter.

Governor: That is great. I'm sure you're excited about the opportunities that that provides, in terms of your strategies in fighting those wildland fires.

Ryan Shane: Very much so.

Governor: Yeah, all right. Mr. Attorney General, any questions?

Attorney General: Thank you all.

Governor: Thank you. All right, the next is Contract 22 which is DMV and Intellectual Technology. Good morning.

Sean McDonald: Good morning Governor. Sean McDonald for the record, Administrator for Central Services and Records Division of the Department of Motor Vehicles. The contract before you is basically to continue on with the sending of a file from the Department of Motor Vehicles containing

title information as well as registration. They handle the printing and the mailing for the Off-Highway Vehicle Program for the Department.

Governor: So this isn't a new process? What caught my attention was, to provide an automated method of collecting electronic data. I just wanted to be sure that I knew what the data was that you were collecting and the security measures associated with it.

Sean McDonald: Sean McDonald for the record. That is correct. Basically, it's not a new process at all. We currently have a contract with ITI. They were actually the only ones that did move forward with this RFP as well. Again, they handle the registration and title component for us. They've already got a system in place that really helps us facilitate that process and it is the most cost effective means of doing it. Right now we currently staff the program with only three individuals and we cost allocate management as needed.

Governor: And you have the cyber security assets to protect that information, or they do?

Sean McDonald: Sean McDonald for the record. Yes, we would have everything protected, cyber-wise, as far as all the information that's being exchanged.

Governor: Thank you, I have nothing further. Mr. Attorney General? All right, thank you very much. The next is DETR and Board of Regents. Good morning.

Melaine Mason: Good morning, Melaine Mason, Deputy Administrator for the Rehabilitation Division. Attendees from the Board of Regents were unable to attend this morning, so I'd be happy to answer any questions. This contract amends State fiscal year 17 with Western Nevada College in our Career Connect Program and adds four more years to it.

Governor: I understand that piece of it and it's an important program. I was just curious about the number of individuals that are served and how successful we are in placing them in employment.

Melaine Mason: Great. Melaine for the record, Melaine Mason. The start-up of the program was in state fiscal year 14 and so, employment is considered 90 consecutive days of employment. They have to find a job, as well as remain employed. So, in fiscal year 14, we did not achieve any successful employments but we did have participants. In State fiscal year 15, we achieved four. The great news, close of June 2016, we have nine more. We have 13 total. Currently we have 97 participants. This year we have added 44 participants throughout the State fiscal year. In 2015, we added 43. The program is thriving.

Some other notable achievements for the program is, the College has created monthly workshops, again all around employment, preparing for employment, things like that. Again, these are for vocational rehabilitation clients. You have to be a co-enrolled student, as well as enrolled in the vocational rehabilitation program. They've developed a one-credit semester class for Career Choices and Changes, is what it's called and they've started a career fair and they're looking at developing a job club in the fall to assist in the growth. This contract also most notably creates a Job Developer position. That's really important to the success of this program. We should definitely see some additional outcomes where this individual goes out and works with employers in the community and then works with the participants to bring a match and provide that transition to employment. That would be a 30-hour a week position. We really anticipate additional growth in this program. This is one of six contracts we have throughout the state and we're seeing great success with these contracts.

Governor: That's great news. Do you work parallel to or in conjunction with Job Connect?

Melaine Mason: Melaine Mason for the record. Definitely, we are all one DETR family and so we do combine resources and draw from each other. Yes, that is a huge resource for us.

Governor: Great, that's all I have, thank you. Mr. Attorney General? Okay, no further questions, thank you.

Melaine Mason: Great, thank you for having us today.

Governor: You're welcome. Final item for the day is Contract 24 which is DETR and JAG.

Dennis Perea: Good morning Governor and Mr. Attorney General. For the record, Dennis Perea. I serve as the Deputy Director for the Department of Employment, Training and Rehabilitation. With me today is Dr. Renee Cantu and we have the rest of the A-Team here if you would like to do some introductions.

Renee Cantu: Good morning, Governor, Attorney General, this is Renee Cantu, Executive Director for JAG, for the record. With me is a group of very talented individuals who are deeply involved in the JAG Program. We have Elizabeth Filpot who is the Regional Program Director, Region 3 over Clark and Southern Nye County. Michelle Tewes, Specialist at Mohave High School. Kim Autderheide, a student at Mohave. And, Krysten McElroy, also a student at Mohave High School.

Very quickly Governor, just to let you know, the request before you is for \$270,000. That leverages—that's less than 12% of the total cost. It leverages an additional 88% from County sources, Clark County School District, JAG, existing JAG funds and JAG national funds. We're leveraging a bunch of dollars. This program is the only one selected across the nation. There are 32 JAG states. We were the one selected out of the entire country as a demonstrate site for this Go Deep national initiative. We will be focusing on North Las Vegas which was so hard hit, devastated during the recession and which merits this sort of attention and concentration and resources. With that, I'll let Elizabeth tell you a little bit more about what Go Deep will do.

Elizabeth Filpot: Elizabeth Filpot for the record. So with Go Deep we will be in four schools in the North Las Vegas area. We'll have 10 specialists within those four schools. Those 10 specialists will service roughly 600 students and we're going to focus on the bottom 25% of those classes to get them towards graduation. That's the highlights.

For Clark County, for the Class of 2015, last year, we had 83% graduation rate where the state average was 72% for Clark County. So, overall for the state, we achieved 83% graduation rate last year whereas Nevada overall was 71%. We had 12% increase over the state average for graduation and so we're hoping to make that the average for the North Las Vegas area.

Renee Cantu: And, Governor, if I may add very quickly. Renee Cantu for the record. As we look at African-American, Hispanic and students with disabilities, we are looking with African-American students at a graduation rate that is 15% higher. The state graduation rate is 55%, in JAG its 70%. For Hispanic students, the graduation rate statewide, 67% for Nevada, 79% for JAG. For students with disabilities, its sadly 29% for Nevada, 89% for JAG. We are having an impact and I anticipate that we will continue moving towards 85-90% graduation rates as we continue to mature the program. Also

with us is Michelle Tewes who does exceptional work as a Specialist. So, would you and your students maybe say a few words to the Governor about the program?

Michelle Tewes: Good morning Governor. Michelle Tewes for the record. I've been at Mohave High School for four years. This will be my second year in the program with JAG. I've seen massive impact on the way that my students are responding to education now. Whereas before it was a fight to get them to come to school, they're excited to come to school. Even just spending time, more time in classes gives them that edge. They are excited, they're engaged. They are involved in community service. Last year, my students were involved in, I think it was 21.6 hours of community service during their year in school, most with the Red Cross of Southern Nevada doing blood drives and getting the word out there about the blood needs in Southern Nevada. We are making an impact and we want to go bigger and better.

Renee Cantu: Krysten, Kimberly, would you like to say something?

Kimberly Autderheide: For the record, my name is Kimberly Autderheide and as a student at Mohave, it's hard to say that its enjoyable to go to school every day but with the help of JAG and actually Michelle Tewes, it's really—it's changed me personally because it used to be hard, especially my junior year which was last year, first semester I had some hardships at home and just being at school was nothing—like, I didn't want to. After joining JAG and seeing the positive environment and being around the ability to actually do community service and hands on things instead of just sitting there at a desk and writing notes and just having a teacher hound you on what college is supposed to be. You get to see it. You get to have an opportunity to speak for yourself and what you want. This isn't just trying to be successful in finding a career, this is also finding yourself in a way. You're finding yourself as an individual and you are trying to find a career that is successful but also makes you happy every day. That's just my experience when it comes to be in Jobs for Nevada Graduates. I love it so much.

Renee Cantu: Krysten.

Krysten McElroy: This is Krysten McElroy for the record. My experience with JAG was very positive. It definitely benefited me due to the fact that, I was a very bad student starting off. I met Michelle when I was a sophomore and she offered me the opportunity to be a part of JAG for my junior year. It honestly made me want to attend school more because that was a major issue of mine. It also made it to where I was able to practice my skills to talk in front of people or else I wouldn't be here today. Another thing is, it provided me with an opportunity to catch up on my credits. I wouldn't have been able to achieve that if it weren't for JAG providing me with the financial support to attend summer school. So now thanks to JAG I am on track to graduate. It boosted my confidence severely because of the things that we did. Michelle was able to watch me go from a social recluse to being able to help run full blown events like fundraisers and just being able to actually be out in public without feeling like I wasn't welcome there. All of this was just due to JAG, me being able to practice these things, me being able to learn how to go into an interview without feeling nervous or how to dress properly for something. It honestly did make a major impact on my life.

Renee Cantu: That is so well said. Governor, I just want to say that these diamonds in the rough who are now sparkling diamonds are a great example of what the staff of JAG do, so I wanted to thank them for coming and telling their story. And to thank you and the Nevada State Legislature and the AG for the support that JAG has received over time. If there are any questions, we'd be glad to answer.

Governor: Thank you Dr. Cantu. You know how I feel about JAG and for all of you down there, you can relax and smile, this is a happy day. I'm really proud of the students. It takes a lot of courage to get up and talk in a public meeting like this. You were both phenomenal. I'm really proud of you and I know you guys have great futures in front of you. You're a representative of JAG. I know the two of you are here. There are hundreds of other students like you that are doing a phenomenal job in positioning yourselves for a really great future. For all the specialists that are out there, I want to thank you as well. I know that you guys put your hearts and souls into working with these students. I've had the opportunity to visit several JAG schools. It just is remarkable and life changing for me to see what happens in those classrooms and with those students. Dr. Cantu, I want to thank you for your leadership. Those statistics that you talk about, we talk about these percentages but at the end of the day these are young men and young women who likely, most of them would not have graduated from high school and picked these vocations and been on a path to success. You've been here since the beginning and you've really done great things. As I said, as we talk to these students a year from now, four years from now, 10 years from now and see how successful they are.

Another point that bears mentioning is this recognition of being the only State and the only JAG program to be selected for this Go Deep Program because it was very competitive. Part of the reason we got it is because of your success and the dedication of the specialists and the students and everybody involved. It is going to make a difference with regards to the graduation rates. These JAG schools are in places where it's needed most. I'm really excited about the fact that we're really going to be putting a lot of resources into North Las Vegas and make a difference in those students lives. I appreciate your taking the time to be here today. I think school starts in a couple of weeks, right?

Students: Yes.

Renee Cantu: That's right, on the 29th.

Governor: Excited about school starting?

Kimberly Autderheide: Now I am.

Governor: Keep up the good work. You're both at Mohave, correct?

Students: Yes.

Governor: So, I'll make a point of visiting Mohave and visiting your class when school starts. I appreciate your presentation today. You guys did just excellent, so thank you very much.

Governor: Mr. Attorney General, any questions or comments?

Attorney General: No, I just want to thank the program, but most importantly both of you students for doing this and doing such a great job for the program and testifying in front of this meeting. Congratulations.

Students: Thank you. Thank you.

Governor: Dr. Cantu, thank you very much.

Renee Cantu: Thank you so much Governor, appreciate it.

Governor: All right, any further questions with regard to agenda item number 13, Contracts 1-27?

Attorney General: No Governor, move to approve.

Governor: The Attorney General has moved to approve Contracts 1-27. I second the motion. All in favor say aye. [ayes around] That motion passes 2-0.

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

Motion By: Attorney General

Seconded By: Governor

Vote: 2-0

Comments:

Governor: We'll move on to agenda item number 14, Master Service Agreements.

Janet Murphy: Governor, there is one Master Service Agreement in Exhibit 3 for approval by the Board this morning. No additional information has been requested by any of the Members.

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

Attorney General: No questions, move to approve.

Governor: The Attorney General has moved to approve the Master Service Agreement contained in agenda item number 14. I second the motion. All in favor say aye. [ayes around] That motion passes 2-0.

15. INFORMATION ITEM ([Attached as Exhibit 4](#))

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). Attached is a list of all applicable approvals for contracts and amendments approved from June 21, 2016 through July 19, 2016.

Comments:

Governor: We'll move on to agenda item number 15, Information Item. Ms. Murphy.

Janet Murphy: Governor, there were 38 contracts under the \$50,000 threshold approved by the Clerk between June 21, 2016 and July 19, 2016. This item is informational only and no additional information has been requested by any of the Members.

Governor: Thank you. I have no questions. Mr. Attorney General?

Attorney General: I have no questions, thanks Governor.

16. 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 July 1, 2015 and ending June 30, 2016.

B. Complete Street Program Uses

Per the Governor's request during the November BOE meeting, a letter was sent to Clark and Washoe counties and Carson City Consolidated Municipality requesting a report on how the Complete Streets Program funds are being utilized. This report is for all funds received through June 2016.

Comments:

Governor: All right, we will move on to agenda item number 16, Department of Motor Vehicles for the Complete Streets Program.

Janet Murphy: Thank you Governor. There are two information reports related to Complete Streets Program in this item. The first report is from the Department of Motor Vehicles on the voluntary contributions collected by county pursuant to NRS 482.480 for the period from July 1, 2015 to June 30, 2016. During the fourth quarter, ending June 30th, the department collected the most in a quarter period and collected \$80,930. I spoke with the Director and the primary reason is we added Douglas County to the program. Approximately 11.59% of those registering a vehicle during the fiscal year reported contributing to Complete Streets Program ranging from 8.37% in Washoe County to 14.42% in Clark County. The program distributed \$298,820 in the FY 2016.

Governor: Do you have examples of projects that are funded as a result of contributions?

Janet Murphy: Yes. Carson City, they're using it for the project that's going on downtown. They have yet to expend anything but they plan to here in the next few months. Washoe County is planning the Safe Routes to School Program and the multimodal improvements in Audi Boulevard, Sun Valley, Mill Street in Sparks. Clark County used the funds for a Share the Road signage in Mesquite and that project is done and complete. They provided in the board packet a lot of pictures about their project. Then, they are also working on a bike lane and pedestrian upgrade project which is close to being completed and they estimated it will be completed by September 30th.

Governor: Thank you. This is a great program because it's purely voluntary and the money that's collected goes to some very meaningful projects that improve safety. I think it works out extremely well. All right. Any questions on agenda item 16?

17. BOARD MEMBERS' COMMENTS/PUBLIC COMMENTS

Comments:

Governor: We'll move to agenda item 17 which is member comments or public comment. Any public comment from Carson City? Good morning.

Joni Eastley: Good morning. Thank you, for the record, Joni Eastley with Nye County. I just want to express my appreciation for your approval of the interlocal agreement to provide records distribution for—or, disposition, yes, for the Nye Regional Medical Center in Tonopah. We greatly appreciate your approval of this item.

Governor: Thank you. It's good to see you.

Joni Eastley: Good to see you.

Governor: How are things in Tonopah?

Joni Eastley: Things are—things are okay. We're hanging in there. Location is everything. We're in a good location. We're on Highway 95, right in the middle of Las Vegas and Reno. We're having some challenges right now with medical care. We're grateful Renown is leasing the medical facility and they are providing some basic services through Tele-Medicine. We got some bad news on the 8th, our Air/Ambulance Company pulled out. We're trying to develop a strategy to address that.

Governor: All right. Thank you for your appearance today.

Joni Eastley: Thank you.

Attorney General: Thank you.

Governor: Any public comment from Las Vegas?

Speaker: No Governor.

Governor: Okay, no public comment.

***18. FOR POSSIBLE ACTION – ADJOURNMENT**

Motion By: Attorney General

Seconded By: Governor

Vote: 2-0

Comments:

Governor: Is there a motion to adjourn?

Attorney General: Move to adjourn.

Governor: Second. All in favor say aye. [ayes around] That motion passes. This meeting is adjourned, thank you ladies and gentlemen.

Respectfully submitted,

J R Wells
FOC _____
JAMES R. WELLS, CLERK

APPROVED:

Brian Sandoval

GOVERNOR BRIAN SANDOVAL, CHAIRMAN

Ad Paul

ATTORNEY GENERAL ADAM PAUL LAXALT