Governor Brian Sandoval
Chairman

James R. Wells, CPA
Clerk of the Board

Attorney General Adam Paul Laxalt
Member

Secretary of State Barbara K. Cegavske
Member

STATE OF NEVADA
BOARD OF EXAMINERS

209 E. Musser Street, Room 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | http://budget.nv.gov/Board-of-Examiners/ | Fax: (775) 684-0260

MINUTES

Date and Time of Meeting: October 11, 2016, 10:00 AM

Place of Meeting: Capitol Building
101 N. Carson St. Old Assembly Chambers
Carson City, NV. 89701

Video Conference Location: Grant Sawyer State Office Building
555 East Washington Ave,
Suite 5100
Las Vegas, NV 89101

Members Present:

Governor Brian Sandoval
Attorney General Adam Paul Laxalt
Secretary of State Barbara Cegavske
James R. Wells, Clerk of the Board

Guests Present:

Dr. Erika Smith, Member of Public
Dawn Williford, Member of Public
Nick Trutanich, First Assistant Attorney General, Attorney General's Office
Kacey KC, Deputy Administrator of Operations, Division of Forestry
Gabe Strouse, Fleet Manager, Division of Forestry
Eddie Ableser, Administrator, Aging and Disability Services Division
Angie Dykema, Director, Governor's Office of Energy
Brett Kandt, Chief Deputy Attorney General, Attorney General's Office
Debbie Tanaka, Grants Unit, Attorney General's Office
Debra Schaffer-Kugel, Nevada Board of Dental Examiners

Governor Sandoval called the meeting to order at 10:00 am. He welcomed everyone and provided the following comments. As you can see, we have a new room within which to conduct the Board of Examiner's Meeting. Just a little brief history for the Board of Examiners, historically, at least during the Miller Administration, they would hold the Board of Examiner's Meeting in the Governor's Office at his table. The only folks that would attend were the press. Then, when I had the privilege of serving as Attorney General, we used to hold the Board of Examiner's Meeting in the old Supreme Court Chambers. The Governor and I and the Secretary of State would sit there and again, we might have somebody externally attend, but usually there were more members of the press there then there was the public.

Then, as you can appreciate, we then moved on to the Guinn Room, to hold the Board of Examiner's Meetings. It had been outfitted with equipment and video conference equipment so that we could conduct the Board of Examiner's Meeting statewide and individuals could participate from the North and the South, but we started to outgrow that room as well. The equipment in there was outdated. I think some of you can remember in the recent past where we'd have technical difficulties. We made a decision that we really wanted to have an appropriate place to hold not only the Board of Examiners but other public meetings and frankly, this room, this old assembly chamber is one of the most historic rooms in Carson City. We thought about the idea of modernizing this room and making it useful so that we could accommodate large groups. We made the decision to do that.

One of the things we did is we consulted with historic preservation to ensure that we preserved the providence of this room. It's my understanding that they even chipped the paint to match the paint exactly how it was from the turn of the century. When you look at this room, there obviously have been some changes over the years. There used to be a balcony. Historic photos were reviewed to make sure they got it right. You are essentially looking at a room, as it looked at the turn of the century.

I was up here (at this table) when they were doing some of the changes and improvements. When I crawled underneath this table there was a label showing the table was made some time between 1900 and 1915. It still had the gavel marks in it, which I thought was pretty neat. They brought in a carpenter to match this one to the ones on the left and right. As you can see, the carpentry in here is marvelous. The other thing that we tried to do and I hear a little bit of an echo and I don't know if it's unavoidable, but is to bring in the natural light in here. I do think this again, is one of the most beautiful rooms, both internally and then the views from outside, externally, are beautiful as well.

I'm hopeful as the years go on that this room now will get a lot more use. It used to be my frustration that when we'd come in here, it sometimes was a storage room. Think about the decisions that were made in this room over the decades and the State of the State that were given by Governors standing up here. The legalization of gaming occurred in this room. As you go through the history of this State, I thought this room deserved better. I personally want to thank Patrick Cates who really has been very aggressive and attentive with regard to making sure that this was done right. Buildings and Grounds, Public Works,

EITS, to bring a video conferencing system that is as modern as it gets and is reliable as well. The private contractors that worked on this, I mean, there was literally a gentleman, I would come in here to peek and he was hand sanding this table, day after day after day. The same thing with the two other tables. They match perfectly so this is a show piece room.

In the future, we will continue to have a lot of room. I think it's important as we have visitors that come from all over the country, as well as all over the world, that there's a room like this that we can accommodate them. I think it really brings out the reverence that we have for this State. I'm excited, I believe it's the Thursday or Friday on Nevada Day Weekend, they always hold Citizenship Ceremonies in here. For me, for these new US citizens to be able to take the oath in a historic room like this really makes that meaningful for them and something that they'll remember. I also want it to be a place where all of you, our valued state employees come and can be proud. I know you're as proud of this State as I am, but just a place that you look forward to coming to.

These are not the original curtains, but they are an exact match as well. I love the old school "N" up there. There's going to be a new addition. If you've been in the Senate Chambers and there's that Lincoln piece of art that is there, there is going to be a matching one that is put here and I think that will be the finishing touch for this room.

I appreciate you all having patience with me. I really wanted you all to have a sense of what's happened in this room. As I said, as the years go on, there's going to be a lot more important things that happen in this room, just like there were through the turn of the century and through the history of this State. Again, I appreciate your indulgence and again, my personal thanks. This has been something that everyone has been working on since last summer. Today is the first official meeting. I'm sorry that the Attorney General and the Secretary of State couldn't be here for this as well, but I know there will be a lot more opportunities in the future.

For those of you who commute to Las Vegas, we've also improved that room. I mean, they were literally, the tables there were worn out and chipped. The chairs were torn and ripped. We'd have some official meetings there and people would come in and kind of take a second look. It was just tired and worn out. It was time to update that room as well. As you know, many Boards and Commissions use that room in Las Vegas. So now, as I said, we'll be able to have a reliable and as modern of a video conference system as you can get.

For those of us that sit up here, once you finish speaking, you have to turn your mic off because the camera automatically moves to the last person who spoke. But, it's kind of nice to have that type of a system and not having to wonder when you walk into a public meeting whether you're going to get through it without there being a technical glitch. I think this does make it more accessible to the public, so the public can see the public's business.

With that, I will begin the meeting. Again, Patrick, my sincere thanks for your hard work on all this. I think that we should all, again, be really proud. We even gave the press their

own table over there, I hope they're content with that. We didn't mean to put you on the side.

All right. So, let's commence with public comments. Is there any member of the public here in Carson City that would like to provide public comment to the Board? Is there anyone present in Las Vegas that would like to provide public comment to the Board?

1. Public Comments

Secretary of State: Yes Governor, there's quite a few people here today and we do have some that would like public testimony if you could come up to the table, please?

Governor: Before I take public comment, we do have a lot of people here and I just want to make clear, unless the Secretary of State or Attorney General feel differently, the contracts on the contract portion of the agenda that are going to be held out are: 1, which is the Governor's Office of Energy, Contract 3 which is the Attorney General's Office, Contract 27 for the Board of Dental Examiners. Then if there's somebody here from the Contractor's Board, my apologies for the confusion, I take responsibility for that. I'm not going to be participating in that vote. There's not a question with regard to that contract, it's just that I'm going to be abstaining from the vote on that. For those of you who are here for the other contracts, you can stay if you like but those are the four that I have that are to be withheld. Madam Secretary or Mr. Attorney General, do you have any other contracts you'd like to hold out?

Attorney General: No Governor, thanks.

Secretary of State: I don't Governor, but I just wanted to reconfirm that you said 27 is one of your four and then 28 you will not be voting on?

Governor: I'll be abstaining from 28.

Secretary of State: Okay. I just wanted to make sure, thank you, Governor. We're fine with everything you have.

Governor: Okay. All right, then let's proceed with public comment. Please proceed. And if you would identify yourself for the record.

Dr. Erika Smith: Yes, my name is Dr. Erica Smith. Good morning. I'm a Member of the Las Vegas Dental Society. On August 18, 2016, the Budget and Finance Committee for the Nevada State Board of Dental Examiners made a decision to increase the Board's budget for legal expenses in the fiscal year 2016-2017. During the August 18, an attachment to its agenda was provided where the Board listed in its 2016-17 financial budget "legal expenses" in the amount of $270,000, with the explanation "includes Hunt, Drizin, and AG". However, the Dental Board paid its outside counsel, John Hunt, alone $278,000 in 2015. Thus, these figures make no sense and are in direct conflict with the LCB audit recommendation to reduce the use of that counsel by 20%.

The Dental Board has recommended reducing the use of its outside counsel because such excessive use can cause the Dental Board's legal fees and costs to spiral out of control.

For example, one dentist recently spent over $10,000 in legal fees and costs, involving a fee dispute over $300. It had nothing to do with their practice or their trade. It took the Dental Board over 16 months to resolve. A simple fee dispute case such as this could easily have been resolved and have a volunteer mediator make a phone call. Another dentist has expended over $160,000 just in legal defense fees against the Dental Board in the past eight years and many, if not all, these cases could've been handled with dispute resolution since none of these cases involved a bad outcome or malpractice, but instead it involves philosophical differences, co-pay complaints, and mistaken identity. However, dispute resolution, which is available to attorneys at no cost, to them or their clients, is not available for dentists and their patients.

Therefore, on behalf of the Las Vegas Dental Society, I request that the Board of Examiners:
1. REFUSE to ratify the Dental Board's decision to pay its outside counsel $270,000 for 2016-17 fiscal year;
2. REFER Dental Board's request to the Legislative Commission for further review since it was the Legislative Commission that ordered a performance audit of the Dental Board be done by the Legislative Counsel Bureau's Audit Division;
3. REQUIRE the Dental Board to provide a breakdown of where the $270,000 in legal expenses budgeted for 2016-2017 fiscal year is being allocated;
4. REQUEST the Dental Board provide the public with the information as to why the Dental Board has chosen to continue its excessive expenditures for outside counsel when the Legislative Counsel Bureau's Auditor has recommended the Dental Board use of outside counsel should be reduced to 20% or no more than $54,000. Thank you.

Governor: Thank you very much. If you would, could you make a copy or leave your notes with us for the record, please?

Dr. Erika Smith: Yes. Thank you, sir.

Dawn Williford: My name is Dawn Williford and I'm here on behalf of my husband. I came here at the beginning of the summer, I told my story of what had happened and I never got a phone call. Nobody called me, nobody said anything to me. Then as time went on, I started to get my paperwork more together, you know and stuff. I signed an affidavit that I'd like to leave with somebody here.

Okay, so the bottom line, Dr. Tan, he's a dentist, ruined my husband's entire mouth on the top. Dr. Tan spoke of paying what the insurance didn't pay if I gave him bills within 30 days. You know insurance companies, they don't give you the bills right away. That never happened. After receiving a letter, he said he wanted to fire us and his office didn't want us coming in anymore.

I called the Dental Board asking them to see if they could help me. Very rude, very disrespectful. I wanted to take action. I wanted to know what to do next. I thought that if

someone, a dentist, a doctor did something wrong and then I had an oral surgeon come in and say, oh my god, yes, this dentist did do this. I have all the reports and the stuff in there. I thought by calling the Dental Board they'd help me and they did not. Actually, they did a whole—they had me go get some documents to get notarized. I did that. By the time I got the answer back, it was less than 30-days. They didn't even look at my page.

Last week, at the beginning of the summer, they're sitting there ranting and raving about people, dentists not doing this and dentist not doing that, I'm like, wait a second, you guys almost killed my husband and you know, I get this smoke blown up my butt telling me that, oh well get an attorney if you don't feel it's right or you know, do whatever. They just kind of blew me off. Debra Schaffer blew me off and Mr. Hunt blew me off.

Again, I have over $30,000 in bills and his mouth, it is just the right side and he ended up cutting from the right side all the way to left the side. He's 48 and he's now got dentures on the top of his mouth. You know, the whole top dentures, because of Dr. Tan. Nothing was done to Dr. Tan, not that I see on the internet. He's served, you know, right down the street, I've asked if they've done anything and I get no answers. If they're going to do an investigation, they could investigate a little bit more than just less than 30 days. I mean, this is kind of big. This is big. You know, I don't understand. I don't get this whole thing that you guys do. You guys are all government people. I'm just a little person. My husband works for Clark County Building Inspector. He did his time, he's served, and he's done all kinds of stuff. For him to get disrespected and for me to get disrespected from the Dental Board is crazy. I just—who do you go to when the doctor is no good? I don't know. I thought the Dental Board and they did nothing.

Then, I come here and I thought I'd get a phone call from somebody and nothing. I saw that there was another meeting here. I want somebody to hear me. I know you are sir, thank you, and I hope it will make someone do something because it's not right. Thank you.

Secretary of State: You said, Dawn, right?

Dawn Williford: Yes, Dawn Williford.

Secretary of State: And you're here on behalf of your husband?

Dawn Williford: Yes, he's disabled now.

Secretary of State: Do you have your statement that you wanted to leave with us, besides this affidavit. We can make a copy of it if you want us to.

Dawn Williford: It's just something I wrote. It's on there.

Governor: Madam Secretary, do we have the contact information for her?

Secretary of State: Yes, I just asked. I think it's on there. Everything, your phone—she'll put everything on there.

Governor: Is there any further public comment from Las Vegas?

Secretary of State: No.

Governor: All right, thank you very much.

There was no public comment from Carson City.

*2. FOR POSSIBLE ACTION – APPROVAL OF THE SEPTEMBER 13, 2016 BOARD OF EXAMINERS' MEETING MINUTES

Governor: We'll move to agenda item number 2 which is approval of the September 13, 2016 Board of Examiner's Meeting Minutes. Have the Members had an opportunity to review the minutes and are there any changes?

Secretary of State: I see none, I'll move to approve.

Attorney General: I second.

Governor: The Secretary of State has moved to approve the Minutes of September 13, 2016 as written. The Attorney General has seconded the motion. The motion passed unanimously.

*3. FOR POSSIBLE ACTION – APPROVAL OF A SETTLEMENT AGREEMENT WITH THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA

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. Office of the Attorney General

The Office of the Attorney General requests the Board of Examiners approve a settlement agreement and release between the Insurance Company of the State of Pennsylvania (ICSOP) and the State of Nevada for acceptance and approval of the agreement where ICSOP will pay $300,000 to the State of Nevada for recovery of litigation costs associated with the lawsuit with the City of San Francisco.

Nick Trutanich: Good morning Governor. Good morning Madam Secretary of State. Good morning Attorney General Laxalt. The Attorney General's Office seeks approval from this Board for the State to accept the $300,000 payment from the Insurance Company of the State of Pennsylvania, a subsidiary of AIG. The payment stems from a prompt cost effective, mutually favorable settlement with Nevada's excess liability insurance carrier, AIG. Essentially the payment reimburses the State for most of the money that was previously paid to resolve the City of San Francisco case. The settlement stems from a $500,000 insurance dispute with AIG about insurance coverage. AIG is

Nevada's excess liability policyholder. The excess liability insurance policy covers Nevada and its employees for torts that allegedly committed during—within the course and scope of their employment.

In July of this year, the Attorney General's Office filed a lawsuit against AIG to recoup expenses that settlement costs and attorney's fees spent by State of Nevada above and beyond the insurance policy's $2,000,000 deductible. I'll refer to this case as the AIG matter in today's testimony.

In the AIG matter, AG's office alleged that money was owed to the State consistent with the terms of insurance policy. Again, the amount in controversy, in that case, is $500,000. In order to provide more background to the Board about the AIG matter, I need to go into a different matter, a separate case. That's the City of San Francisco litigation. Those two cases are intertwined. The City of San Francisco litigation I'll refer to as the City of San Francisco matter.

In late 2013, Nevada was sued by San Francisco. The suit related to Rawson-Neal, allegedly providing bus tickets to patients discharged from that facility. The prior Attorney General's administration hired outside counsel to defend that suit. The 13-months of litigation proceeding this administration, AG Laxalt' s term, Nevada incurred approximately 2.08 million in outside legal fees in the San Francisco matter.

By contrast, once AG Laxalt took office, we got the legal bills under control. Attorney General Laxalt authorized a mere $100,000 in additional legal fees, 5% of what was previously authorized by the prior administration. Fees were reduced because we took a lot of the work in-house, in our Solicitor General's Office. Additionally, we implemented a new strategy at the United States Supreme Court. That strategy included building a 40-state amicus coalition to support Nevada's arguments in a petition for certiorari at the United States Supreme Court on a question of sovereign immunity that was raised in the San Francisco matter.

The Supreme Court later granted review of that same sovereign immunity issue in a similar case called Hyatt v. Franchise Tax Board. After the Supreme Court granted review of that sovereign immunity question that was raised in the San Francisco matter, San Francisco returned to the negotiating table and our office engaged in extensive negotiations. We were able to reach a favorable settlement last summer, summer 2015, of $400,000 inclusive of San Francisco's attorney's fees.

Back to the AIG matter. Nevada's July 2016 lawsuit against AIG sought to recoup settlement costs and attorney's fees spent by Nevada above and beyond the $2,000,000 deductible in our insurance policy. The amount spent above and beyond the $2,000,000, was again, $500,000.

We settled for $300,000 rather than proceeding to trial for a few reasons. One of the biggest reasons is that there were weaknesses in our case against AIG. First, and probably the biggest weakness was that AIG argued that the State had failed to submit a timely insurance claim to AIG. It wasn't until 18-months after the lawsuit was filed that the

Attorney General, this Attorney General, filed a claim with AIG seeking insurance coverage for the San Francisco matter.

Second, there was a dispute about whether the claim fell into the terms of the existing insurance policy with AIG. We believe that the facts of that case fell within the insurance policy. AIG disagreed with that assessment. This settlement resolved that dispute. We're pleased that we were able to get a favorable, cost-effective settlement very promptly after filing the lawsuit, which represents a reimbursement of the vast majority of the money saved to settle the San Francisco matter. I'm happy to answer any questions.

Governor: Thank you very much Mr. Trutanich. Congratulations, first and good work. Just a couple of questions. Will the proceeds of this settlement go back to reimburse the fund where they came from?

Nick Trutanich: So, we believe that the best use of this $300,000 is to return it to the Statutory Contingency Fund where $2,000,000 was paid initially before our office evaluated this case in tort. We think that because the Statutory Contingency Fund paid $2,000,000 under the prior administration, we believe that we should try and offset some of those costs and return the money to the General Fund.

Governor: My second question is, the insurance company is the only one that insures the State, will they continue to insure the State and provide insurance to us?

Nick Trutanich: That policy was renewed, I believe on September 1 of this year, just about 45 days ago. They will continue to provide insurance. I want to stress that this settlement is favorable to both parties and we were able to amicably resolve the litigation aside from the renewal.

Governor: Then finally, you may not know this, have they changed their premium they're charging us?

Nick Trutanich: They have. I don't know by what amount but it has historically over the last 10 years increased, I think with inflation and for whatever other reasons, it's increased. I think there's a slight increase consistent with the trend over the last 10 years, for this year's policy.

Governor: Do you know what that amount is?

Nick Trutanich: I want to say over the last 10 years, we've paid an aggregate of approximately between $400,000 to $600,000 a year. I believe that we're on the upper end of that scale this coming year. Those are approximations because I don't have those numbers with me.

Governor: All right. Thank you. Any questions from Southern Nevada?

Secretary of State: I have none.

Attorney General: I have none.

Governor: Again, congratulations. I guess I should ask just to make it on record. This closes the book on the City of San Francisco case. I read through the settlement agreement. Both sides have waived all their rights and there has been no reservation of rights associated with the settlement.

Nick Trutanich: This is over.

Governor: Thank you. If there are no further questions, the Chair will accept a motion to approve the settlement agreement and release between the Insurance Company of the State of Pennsylvania and the State of Nevada for acceptance and approval of the agreement whereby the Insurance Company of the State of Pennsylvania will pay $300,000 to the State of Nevada for recovery of litigation costs associated with the lawsuit with the City of San Francisco.

Secretary of State: So moved Governor.

Governor: The Secretary of State has moved for approval of agenda item number 3A, is there a second? The Attorney General seconded the motion. The motion passed unanimously.

*4. 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 Conservation and Natural Resources – Forestry	20	$1,153,753
Department of Public Safety – Fire Marshal's Office	1	$29,870
Total	**21**	**$1,183,623**

Governor: Let's move on to agenda item number 4 which is State Vehicle Purchases.

Clerk: Good morning Governor. Item number 4 requests 21 vehicles, all of which were included in the agencies' legislatively approved budgets. The first item is a request from the Department of Conservation and Natural Resources, Forestry Division, to purchase 12 replacement pickup trucks, five replacement sport utility vehicles and three new pickup trucks for use on incident commands, mobile tow vehicles, and mountaintop radio system maintenance.

The second item is a request from the Department of Public Safety, State Fire Marshal's Office, to replace a pickup used for emergency response and for towing the Agency's fire

prevention trailer to pull it to events and training courses. This vehicle is projected to exceed the budgeted amount with the additional funding covered by other savings in the Agency's budget. There are representatives available to answer any questions the Board may have.

Governor: If you'd come forward. It's one million dollars' worth of vehicles. I know they're needed but if you could talk about the nature of the vehicles and how they'll be used and the status of your fleet right now. Good morning.

Kacey KC: Good morning. Thanks for having us. For the record, Kacey KC, Deputy Administrator of Operations for the Division of Forestry. I have with me Julie Kidd, our ASO 3 and Gabe Strouse, Fleet Manager for the Division of Forestry. I'll have Gabe give you an update on that.

Gabe Strouse: The 20 vehicles that we're trying to replace are exceeding 20-years old and have anywhere from, or let's just say approximately 160,000 miles on them.

Governor: Anything else?

Gabe Strouse: They're used for emergency response. For instance, incidents across the State.

Governor: What are just some examples of the types of vehicles that you'll be replacing?

Gabe Strouse: We will have 11 command vehicles, which will be incident command vehicles that will respond to incidents across the state of all different kinds. Pickup trucks, they will stay in use for multiple weeks at a time on an incident.

Governor: Well, I also called you up here because I want to thank you and everybody within your Division for what you do. It was a tough fire season. It could've been worse. Thankfully. I marveled at the fortitude of the men and women within your Division and what you do. I want to make sure that you have the best equipment possible. Also, to be good managers of the money we have to make sure that we're using the vehicles that we have. Undoubtedly you put them to good use and put excess mileage. I know that most of the time, if not all the time, you're in the most remote places in the State. The one thing you don't want to have happen is to have a vehicle break down. It's one of the larger purchases, that's why I asked for you to make a record, but I also wanted to again, thank you for what you do. I don't want to jinx anything for the rest of the fire season but hopefully, we can get through it with nothing else occurring. Any questions from Southern Nevada?

Secretary of State: Yes.

Governor: Madam Secretary.

Secretary of State: Thank you. I will echo the Governor's sentiments about everything that you do and thank you for what you do for us. I thought it has been quite the season.

Just a question, I'm just curious about the special equipment that you have installed. I know that it's new for all of them. On the old vehicles, is there any equipment that's salvageable? Do you sell it off? I'm just curious as to what happens to all of that equipment.

Gabe Strouse: If the equipment is still in usable condition, we will turn it down to some of the cooperators and volunteer fire departments throughout the State.

Secretary of State: That's great. I didn't know what happened to it and I'm glad to hear that you can use it in other ways. Thank you for answering that. Thank you, Governor.

Governor: Any further questions? All right, thank you again. The Chair will accept a motion to approve the State Vehicle Purchases described in agenda item number 4.

Secretary of State: So moved.

Attorney General: I second.

Governor: The Secretary of State has moved for approval of agenda item number 4. The Attorney General has seconded the motion. The motion passed unanimously.

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

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

Pursuant to NRS 333.705, subsection 1, the division requests to contract with a current employee, Monica Del Rocio Olmost, to assist families in accessing evidence-based behavioral therapy for children with Autism Spectrum Disorder effective October 12, 2016 to June 30, 2017.

B. Department of Health and Human Services – Aging and Disability Services

Pursuant to NRS 333.705, subsection 1, the division requests to contract with a former employee, Kimberly Henkle, to assist families in accessing evidence-based behavioral therapy for children with Autism Spectrum Disorder effective October 12, 2016 to June 30, 2017.

C. Department of Employment, Training and Rehabilitation

Pursuant to NRS 333.705, subsection 1, the Department of Employment, Training and Rehabilitation requests authority to contract with a former employee, Joe Ward, to assist in managing the current workload generated by the Unemployment Insurance Legal section effective October 11, 2016 to October 11, 2017.

D. Department of Transportation

Pursuant to NRS 333.705, subsection 1, the Department of Transportation requests authority to contract with a former employee, William Johnivan, who is employed by Diversified Consulting Services (DCS). DCS is proposing to use Mr. Johnivan as an Inspector Level 4.

Governor: We'll move to agenda item number 5 which is authorization to contract with a current and/or former employee. Mr. Wells.

Clerk: Thank you, Governor. Item 5 includes four requests to contract with current and/or former employees pursuant to NRS 333.705, Subsection 1. The first request is from the Department of Health and Human Services, Aging and Disability Services Division. They are requesting to contract with a current University of Reno Graduate Assistant to assist families in accessing services for children with autism spectrum disorder. The contractor, who is a registered behavior therapist and is working on her master's degree in special education with an emphasis in autism will work an average of 20 hours per week for the period of October 12, 2016 through June 30, 2017 at a proposed rate of $14.60 per hour.

The second request is also from Aging and Disability Services Division to contract with a former University of Nevada, Reno employee to assist families in accessing services with autism spectrum disorder, and to provide certification oversight for staff looking to become registered behavior therapists. The former employee is a Board Certified Assistant Behavioral Analyst. The contract is anticipated at 40 hours per week for the period of October 12, 2016 through June 30, 2017, at a proposed rate of $65.00 per hour.

The third request is from the Department of Employment, Training and Rehabilitation, Employment Security Division to contract with a former employee to assist in managing current workload generated by the Unemployment Insurance Legal Section. The contractor will be employed through a temporary employment agency and will work approximately 100 hours per month for the period of October 12, 2016 through October 11, 2017 at a proposed rate of $75.00 per hour.

The final request is from the Department of Transportation (DOT) who will contract with a former employee who retired from state service and now works for a company under contract with the Department. This former employee had no influence or authority over the procurement process for the contract that he will be assigned to.

Representatives from the Departments are available to answer any questions the Board may have.

Governor: Thank you, Mr. Wells. Any questions from Board Members?

Secretary of State: I think along with agenda item six Governor, I think is something that you'll probably bring up again, but how are we coming with recruiting people for these positions? I understand one is a current employee, but the others are all former. One is

for a whole year. I'm just curious as to how the training is going? How we're recruiting outside and again, this goes for five and six.

Governor: I'll say this, Madam Secretary, with regard to A and B, as I know you appreciate the more people we can get to serve children with autism the better. These are students at the university that fall within the legislation that was passed, I believe four years ago.

Secretary of State: No, I'm just asking what we're doing overall and I don't disagree with you and I'm supportive, but I'm just asking what we're doing because we don't have—it doesn't seem like we have individuals that we can hire that have the training. Yes, the student, that's great that we have somebody in there, but we've got a former employee. Is that based on the fact that we can't find anybody else? That's just—those are my questions.

Governor: We'll bring someone up. Then on the DOT, that's somebody that has left state employment and has gained private employment within the industry. What's key for me is what Mr. Wells talked about is that that individual had nothing to do with the contractual relationship that was established prior to his employment with Diversified Consulting.

Do we have somebody from HHS that's here with regard to A and B, please?

Eddie Ableser: Good morning. For the record, my name is Eddie Ableser, I'm the Administrator of Aging and Disability Services Division within the Department of Health and Human Services. To my right, I have Deputy Administrator Julie Kotchevar, who is in charge of our Autism Treatment Assistance Program, as well as our Early Intervention Program. The work that she's been doing on bringing individuals to our services and the providers that we're trying to build throughout the state for children with autism and providing appropriate services for them.

One of the things I like to highlight to the Board is in conjunction with the work done off session, in the Interim Health, there is hope to advance the workforce amongst mental health and behavioral health professionals, bringing people to the state using reciprocity rules from other states and bringing professionals in, behavioral therapy as well as Board Certified Behavior Analysts. One of the problems that we've had in this state is the lack of talent that we are producing in our universities, which is one of the reasons we're hiring these two individuals and coming to you for that approval. We are attempting to try to bring in more from out of state so that we can scale up our workforce to the demand of students and families, for their needs for this type of service that we're working towards.

That is one of the larger initiatives that I believe is being worked on across the state is the work on the health and the Boards that govern behavioral health. Beyond that, we are working closely with our universities on recruiting more, bringing more students into this field, looking at Continuing Technical Education programs across the state and our community colleges so that we can have appropriate numbers of individuals entering the workforce to meet the demands of this population.

Governor: I appreciate your saying that when you say lack of talent, its number of students, not the talent of those that are coming through the program. Madam Secretary, did that answer your question?

Secretary of State: Thank you. Yes, again, Governor, you know that over the last 20 years, anything to do with kids, children with learning differences has really been something that's been very tugging at my heart and that's why I wanted to know, again, what we're doing. We've been saying for the last 20 years we're going to grow our own, we're going to put the programs in. I guess, at some point, we need to talk to the universities to find out, what exactly are we doing? Are we going to the high schools? Do we have programs; high school, college, community college? It's been an ongoing issue where we have to go out of state. I know one of the states we recruit highly in is Minnesota because they do a lot more than we do along these areas. These are really critical areas. That's why I'm asking the question. It's not that I don't deny having either one of them, I just want to know what we're doing and if there's any hope for us to have new people come in. We have somebody that was retired and we're bringing them back. We've got to make sure that we have people trained. That's my point Governor, that's what I'm trying to get to. I appreciate your indulgence in letting me bring that forward.

Governor: Thank you. Board Members, any questions on C or D?

Attorney General: No questions.

Governor: Then the Chair will accept a motion to authorize the contracts with a current and/or former employee as presented in agenda item 5A, B, C, and D.

Attorney General: I move to approve.

Governor: The Attorney General has moved for approval. Is there a second?

Secretary of State: I'll second. The motion passed unanimously.

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

A. Department of Conservation and Natural Resources – State Parks

Pursuant to NRS 333.705, subsection 4, the Department of Conservation and Natural Resources, State Parks Division, seeks a favorable recommendation regarding the Agency's determination to use the emergency provision to contract with Ms. Kirsten Strange, a former Deputy Administrator for State Parks, to assist with closing FY16 budgets and building the FY 18-19 biennial budgets from July 13, 2016 to mid-September 2016.

DRAFT

B. Department of Health and Human Services – Public and Behavioral Health – Public Health Preparedness

Pursuant to NRS 333.705, subsection 4, the Department of Health and Human Services seeks a favorable recommendation regarding the Agency's determination to use the emergency provision to contract with Debra Scott, a former Executive Director of the Nursing Board, to implement statutes, regulations and policies to ensure timely and secure licensure from July 1, 2016 to March 31, 2017.

C. Department of Transportation

Pursuant to NRS 333.705, subsection 4, the Department of Transportation seeks a favorable recommendation regarding the Agency's determination to use the emergency provision to contract with, Ms. Halana Salazar, a former employee, to provide critical right-of-way engineering services in support of the USA Parkway Program Management project from September 12, 2016 through February 10, 2017. Ms. Salazar is employed with Jacobs Engineering Group, Inc.

Governor: Let's move to agenda item number 6 which is authorization to contract with a current and/or former employee, Mr. Wells.

Clerk: Thank you, Governor. Pursuant to Subsection 4 of NRS 333.705, an agency may contract with a former employee without first obtaining Board of Examiner's approval if the term of the contract is for less than four months and the head of the using agency determines that an emergency exists. If an agency contracts with an individual pursuant to this exception, they must submit a copy of the contract and a description of the emergency to the Board of Examiners, who shall review the contract and the description of the emergency and notify the agency whether they would've approved contract had it not been entered into under the emergency provisions.

Item 6 includes three requests seeking favorable recommendations from the Board on the Departments' use of emergency provisions to contract with former employees. The first is a request from the Department of Conservation and Natural Resources, State Parks Division, to contract with a retired former Deputy Administrator to assist with closing the FY '16 budgets and preparing the Division's agency budget requests due to a staff vacancy. The Division contracted with the former employee from July 13 to the middle of September at a rate of $16.00 per hour.

The second request is from the Department of Health and Human Services, Division of Public and Behavioral Health, to contract with a retired former Executive Director from the State Nursing Board to conduct onsite reviews of health professional licensing boards, make recommendations for statutory, regulatory and policy changes and improve data collection from the respective Boards in conjunction with the upcoming legislative session. This contractor started work on July 1 and the agency is requesting authority to continue the contract through March 31, 2017. The contractor will work approximately 10 hours per month at a proposed rate of $100 per hour.

The final request is from the Department of Transportation to contract with a retired employee who is employed by Jacobs Engineering Group. Jacobs was awarded the USA Parkway Management Project and proposes to use the former employee to provide right-of-way engineering services in support of that project. This former employee also worked for the Department under contract with Manpower on the Boulder City Bypass Project but is no longer under contract with Manpower on that project. This employee had no influence or authority over the procurement or the agreement with Jacobs Engineering Group.

Again, representatives from the Departments are available to answer any questions the Board has.

Governor: Madam Secretary, did you want additional testimony on the nature of the emergency for these?

Secretary of State: Actually no. I just again wanted to go through why we're doing this every single time. That there are no other employees that have the experience of any of these within that we're bringing back. All of these are former—and not to say that they're not good because I know Debra Scott, I think she's great. I am just, again, curious. We've got to, at some point, have people to replace other people as they retire. I mean, we're doing that in our own agency.

Governor: Madam Secretary, I share your sentiments. It's a challenge all the time in order to fill the vacancies. This agenda item is a little different. I tend to call the, don't ask for permission but beg for forgiveness provision, because we are essentially approving the contracts after the fact. I would really prefer that, for the agencies, if you have the ability to get these in front of us before, I'd appreciate the opportunity to look at these before they happen instead of having to approve them after the fact. I really don't have any questions. I say this time and time again in terms of succession planning for each of the respective divisions and sometimes it's extremely difficult. If there's somebody retiring, there should be that succession planning happening. I just ask that the agencies first focus on that and making sure they're training up whoever the next person is that's up. Then, try to avoid using this provision because it really puts this Board, at least or I'll speak for myself, in an awkward position because the contract is already started.

Secretary of State: I agree.

Governor: I think we've only rejected one, I see NDOT nodding, I think it was an NDOT contract. Again, I don't have any questions on these. I do have the same concerns as you do Madam Secretary.

Secretary of State: Well, thank you. I'll move for approval, but reluctantly.

Attorney General: Second.

Governor: Secretary of State has moved for approval of agenda item 6, authorization to contract with a current and/or former employee as presented in agenda item 6A, B and C.

The Attorney General has seconded the motion, any questions or discussion? The motion passed unanimously.

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

Governor: Let's move to agenda item number 7, Leases. Mr. Wells.

Clerk: Thank you, Governor. There are 17 leases in Exhibit 1 for approval by the Board this morning and no additional information has been requested by any of the Members for this item.

Governor: All right, Board Members, any questions with regard to agenda item number 7?

Attorney General: No Governor, thank you.

Governor: Hearing none, the Chair will accept a motion for approval.

Attorney General: I move to approve.

Governor: The Attorney General has moved for approval of the leases presented in agenda item number 7, is there a second?

Secretary of State: I'll second the motion. The motion passed unanimously.

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

Governor: Let's move to agenda item number 8, Contracts, Mr. Wells.

Clerk: Thank you, Governor. There are 28 contracts listed in Exhibit 2 for approval by the Board this morning. Contracts 3 and 8 are contingent upon approval of Work Program at the October IFC Meeting. Item 7 is a contingent on the submission and approval of a Work Program at the Governor's Finance Office level. Then, we had talked about the four contracts requested for additional information, numbers 1, 3, 27 and then 28 being held out separately.

Governor: Thank you. Do we have a representative from the Office of Energy? Oh, there's Angie. Good morning Ms. Dykema.

Angie Dykema: Good morning Governor, Madam Secretary, and the Attorney General. Angie Dykema, for the record, the Director of the Governor's Office of Energy. With me to my right is our Energy Efficiency Program Manager, Kelly Thomas.

We have before you an amendment to increase our contract with the Nevada Housing Division for our Home Energy Retrofit Opportunity for Seniors (HEROS) program. We currently have an agreement for $600,000 a year for the program. It's been very

successful. It was a pilot program implemented in 2014. The first full year since the program's inception, it increased by 34%. It's been successful and we figured we have the budget in our renewable energy account to supplement the program and put it on par with our Direct Energy Assistance Loan (DEAL) Program. We have the same terms and agreements with those contracts. We are looking to increase the contract by $150,000.

Governor: Will you go into who is eligible for that HEROS Program and the types of projects that are being installed?

Angie Dykema: The eligibility requirements for HEROS, it's for senior citizens up to 200% above the poverty level, must be 60 years old, must be a customer of NV Energy and own their own home.

Governor: What would be an example, insulating your house, appliances or windows?

Angie Dykema: Its energy retrofits such as weatherization measures, new appliances or new windows. We had some customers who have gotten new furnaces. The actual average savings per household comes out to about $927 a year, which is fairly significant for the income level that these applicants are receiving.

Governor: Is that a loan or a grant?

Angie Dykema: It's a grant.

Governor: How many individuals are enrolled in the program?

Angie Dykema: We have a total of 300 homes that have gone through the program so far, since 2014 when it was developed.

Governor: Last question, what's the average amount or is there a cap on the amount of grant that you can give to an individual?

Angie Dykema: The amount that they can get for the energy improvements is $6,000. $8,000 for veterans.

Governor: You brought up veterans, so do you have to be a senior citizen and a veteran?

Angie Dykema: For the $8,000 amount, yes.

Governor: All right. I have no further questions, Board Members?

Attorney General: No questions Governor. Thank you.

Governor: It's a great program. I just thought this would be a nice opportunity to make people more aware that it's available. How do senior citizens know that they can access this program?

DRAFT

Angie Dykema: Our latest marketing has been on KUNR and One Las Vegas. We've done radio ads, public service announcements. We have it on our website. We distribute flyers at various energy events and the Nevada Department of Housing helps to market the program through their weatherization program.

Secretary of State: Governor, can I ask a question?

Governor: Of course Madam Secretary.

Secretary of State: I'm just curious is there an income qualification?

Angie Dykema: There is. So the eligibility requirement requires a 200% poverty level.

Secretary of State: Okay.

Angie Dykema: These are senior citizens that are average income of about $17,000 a year. It is a significant annual saving.

Secretary of State: And that's in the household, correct?

Angie Dykema: Right, yes.

Secretary of State: Okay, thank you.

Governor: Thank you, Ms. Dykema.

Angie Dykema: Thank you.

Governor: We'll move to Contract No. 3, which is the Attorney General's Office, Violence Against Women Grants.

Brett Kandt: Good morning Governor, Members of the Board down South. For the record, Brett Kandt, Chief Deputy Attorney General. With me to my right is Debbie Tanaka who is the Head of our Grants Unit in the Attorney General's Office. To my left is Traci Dory who is with the Department of Corrections and the Chair of the Victim Information Notification Everyday (VINE) Governance Committee. VINE is what I wanted to tell you a little bit about today.

Victims of Crime are entitled under the Nevada Constitution Article 1, Section 8 and by statute, they're afforded certain rights. Many of these rights involve keeping them informed about the status of the case involving the offender that committed the crime against them. Our office collaborated with many criminal justice agencies, from both the state and local level and utilized funding from the Bureau of Justice Assistance to implement Nevada VINE so that all victims, statewide, could gain the same access, timely access to the status of their offenders in terms of their custody. When I say 'their custody status', I mean, where they're being held, the jail/detention facility. Whether they're being transferred, if

they're up for bail, if they make bail, if they're up for parole, if they make parole. Or, if their is supervision by parole or probation officer is about to end.

VINE is an automated system that's currently available in 47 states. The VINE service allows the victim to go to a website, VINELink.com or to call an 800 number and they can register their phone number or email address to receive automatic updates on a specific offender's custody status. They can receive those updates via email, via voicemail or via text. They can also access the website or the phone number or a free mobile app called VineMobile, to check on the real-time status of an offender's custody status. In the past year, we fully implemented VINE in the Department of Corrections, at every local jail and detention facility, the Parole Board and the Department of Parole and Probation.

I wanted to give you some numbers of the usage of the system. Since we began this project in 2010, through June of 2016, the Nevada VINE Service has sent over 65,000 email notifications and over 1.1 million phone notifications to victims registered with the system. Phone notifications could be that they received a voicemail or a text message. During that period, there were over 1.4 million searches on the VINE website to obtain updates on an offender's custody status. We now have over 71,000 victims registered to use the system.

VINE is important because it empowers victims. It gives them the information that they can use to make decisions to take any steps they deem necessary to protect themselves and their families. The reason we're here today is there's a new contract with the vendor for the system, Appriss. It will implement an enhanced system, known as VINE-3, it's a new product platform that will provide improved access to information and resources for victims. It will improve the system functionality and it will improve the management of the system by our office.

Certainly, I would be happy to answer any questions or Ms. Tanaka or Ms. Dory can also provide you more detail on how VINE created better-served victims in our state.

Governor: Thank you. It's a marvelous program. Congratulations on that. Did you extrapolate how many emails and texts and phone calls, how many individuals have actually signed up?

Brett Kandt: Once again, Brett Kandt for the record. Thank you for your question, Governor. There are over 71,000 victims that have registered to use this system and receive the automatic updates.

Governor: Oh, that's great. And that's within Nevada. Any other questions from Board Members?

Attorney General: Mr. Kandt, if you don't mind just making it clear where the funding is coming from and how this will be paid for.

Debbie Tanaka: Good morning, Debbie Tanaka for the record. The Office of the Attorney General applied for a grant through the Division of Child and Family Services. The funding

source is the Victims of Crime Act. We applied for a total of $250,000 and $243,000 will go to the direct implementation of the VINE-3 Enhancement.

Attorney General: Thank you.

Governor: So that's an annual amount, do you have to reapply for that grant each year to keep it going?

Debbie Tanaka: We will be reapplying for different projects. This particular project is a one-time enhancement fee. We don't have to pay for additional costs.

Governor: Okay, wonderful. That's great. Any further questions? Thank you. Keep up the good work, really appreciate it. Let's move to Contract number 27 which is the Board of Dental Examiners.

Debra Schaffer-Kugel: Good morning Governor and Distinguished Members. At the last meeting, you asked to table this and you had some additional requests for information you wanted to receive which I sent to you which was in regards to our response to the legislative audit. I also provided you a copy of our action plan that was submitted to the Division of Internal Audit. Then I also provided an updated one, since our last meeting.

Governor: Will you go into a little more detail with regard to the actions that you've taken since our last meeting?

Debra Schaffer-Kugel: The pending items that needed to be brought before the Board was brought before the Board on September 23. Going back to the legislative audit, there were 14 recommendations. The outstanding recommendations that needed to be brought before the Board for their consideration were recommendation number 3, which was in regards to the refund to the licensed amounts that were overcharged. On September 23, the Board approved the amounts and those checks have since been submitted to those individuals, those licensees.

Recommendation number 4 was to develop policies regarding fees to be assessed to licensees throughout the disciplinary process which was including costs for remanded cases. Remanded cases are cases that the Board doesn't impose action on. Those, the licensees are not charged for those fees. When a remanded case is brought forward in an informal hearing—so a remanded case was remanded but now there are additional complaints that were received that were regarding the same nature, that complaint may be brought up again to be reconsidered. We just need to determine whether those costs would be assessed by the licensee and the Board stated that they wish to have the Board absorb those costs and they would not be forwarded on to the licensee.

The other recommendation was Recommendation number 5 which was, determine, document and adhere the appropriate travel limits, and the Board tries to follow the State Administrative Manual, but obviously there are times that we can't adhere to those so the Board implemented a travel policy that was recommended by the Legislative Auditors.

Recommendation number 8 was contracts that accurately reflect the maximum amounts and this is why we are here today, which is the contract between Morris, Polich & Purdy and the Board regarding legal services and the offsetting of the reimbursable expenses that would be offset and to correct that.

The last one is Recommendation number 9 which was to review at a Board Meeting the merits of contracting with outside counsel versus in-house counsel and what the Board's recommendations were regarding that.

Those were the recommendations they considered.

Governor: Have you consulted with the Attorney General's Office with regard to the nature of representation issue?

Debra Schaffer-Kugel: We have. Well, we received a letter on March 10 from the Attorney General regarding joint representation. Based on that March 10 letter, we believe that there is a joint representation in place right now between the Attorney General, the Board and then in addition to Morris, Polich & Purdy.

Governor: One more question, Mr. Attorney General, if I may. That was March 10. Obviously, you were here a month ago and you listened to the questions and the testimony, have you between our last BOE meeting and this meeting reached out to the Attorney General's Office with regard to the representation issue?

Debra Schaffer-Kugel: I have not.

Governor: Okay. I apologize, Mr. Attorney General, please proceed.

Attorney General: Thank you, Governor. That's where I was headed. I was surprised when this popped on our agenda again and immediately asked my office, I hadn't spoken to you all since the last meeting and we had not heard from you. I checked the minutes to see if we were unclear that we wanted to speak to you, ideally and discuss the workload and things like that to figure out if we were able to help with some of these. That hasn't happened. I would like that to happen before I'm willing to support this. I may be willing to support this, of course, but I think it's important from my perspective that we have that meeting before we move forward.

Debra Schaffer-Kugel: And I apologize. It was my understanding, I thought you were going to—I thought you were going to see what your workload was—I apologize. My misunderstanding. I thought he was going to check to see what their workload was to see if they could take on the workload of the Board. I apologize for that. That was my misunderstanding. I would've reached out sooner.

Governor: Well, let's do this, what jeopardy is there if we were to continue this contract for another month to allow for a conversation between you, the Dental Board and the Attorney General's Office?

Debra Schaffer-Kugel: Just for the record, I have not made payment to Morris, Polich & Purdy, I have not submitted—so we can continue this a month from now in the interim.

Governor: Mr. Attorney General, would that be your preference, to continue this contract until the next BOE agenda or not until there's communication between your office and Ms. Schaffer.

Attorney General: Yes Governor, it would be my preference that we have a chance to dialogue. I think as we stated a month ago, it's the reverse of maybe what you picked up. We need to have some idea of how big the workload is that you're contracting outside. Then we will evaluate how much of that we can take on. It could be more than 30 days before we would be able to do all of that dialogue. I just encourage us, we will obviously get to the table as soon as possible. As soon as we have a better handle on the situation, I recommend we move forward after that.

Debra Schaffer-Kugel: Can I ask a question? Is it helpful—is there information that would be helpful to collect before the meeting that, like the number of complaints? How many outstanding investigations? Just to assist so that when we do meet, I can work on getting that information.

Attorney General: I would recommend that we have our two entities discuss as soon as possible. It can happen this week and we can help ask the questions that we'll need to be answered.

Debra Schaffer-Kugel: Good.

Governor: Madam Secretary, do you have any objection to continuing this contract until the Attorney General's Office is comfortable that there's been some form of communication between his office and the Dental Board?

Secretary of State: Absolutely not. In fact, I remember quite specifically that we had asked that you meet with the Attorney General's Office. I do believe that is how the record would reflect it accurately. I think that's very important. Thank you, Governor.

Governor: And just one other thing, Ms. Schaffer. I don't know if you were present when there was the public comment from the two individuals that had discussed their interaction with the Dental Board. Is there an opportunity now for you to sit with them and perhaps listen to what their issues are and possibly take some form of action on their behalf?

Debra Schaffer-Kugel: Yes, I can reach out to both of them, absolutely.

Governor: Okay. Thank you. All right then, anything further with regard to agenda item number 27?

Secretary of State: I just wanted to say, if you needed, we have their contact information from what they gave us from their testimony and I do know that there is somebody here for

DRAFT

the next public comment about this issue, representing Dr. Felipe Paleracio that came after we had public comment Governor.

Governor: Okay, thank you.

Debra Schaffer-Kugel: Thank you so much.

Governor: I've asked—I don't have any questions with regards to Contract number 28, but I abstained from the vote when this contract was originally approved. It's a contract with the Ferraro Group. Mr. Greg Ferraro is the Principal of the Ferraro Group. Mr. Ferraro has been a friend of mine since college, and to avoid any appearance of impropriety, whether I participated in this would have no effect on me, I'm going to be abstaining from voting on this contract.

Any other questions with regard to agenda item number 8? If there are none, the Chair will accept a motion to approve Contracts 1-26.

Attorney General: I move to approve Contracts 1-26.

Secretary of State: I second.

Governor: Attorney General has moved for contracts 1-26. The Secretary of State has seconded the motion. Any questions or discussion on the motion? The motion passed unanimously. Contract number 27 will be continued. If the other members would handle Contract number 28, please.

Attorney General: I move to approve Contract number 28.

Secretary of State: I second the motion.

Attorney General: Do I have any discussion on the matter?

Secretary of State: No discussion.

Attorney General: All in favor. The motion passed with the Governor abstaining from the vote for the reasons he previously stated.

*9. FOR POSSIBLE ACTION – MASTER SERVICE AGREEMENT (Attached as Exhibit 3)

Governor: Let's move to agenda item number 9, Master Service Agreement. Mr. Wells.

Clerk: Thank you, Governor. There is one Master Service Agreement in Exhibit 3 for approval by the Board this morning. No additional information has been requested on this item by any of the Members.

Governor: Any questions from Board Members? Is there a motion?

Attorney General: Move to approve.

Secretary of State: Second.

Governor: The Attorney General has moved for approval of the Master Service Agreement presented in agenda item number 9. The Secretary of State has seconded the motion. The motion passed unanimously.

10. 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 August 24, 2016 through September 19, 2016.

Governor: We'll move to agenda item number 10, information item. Mr. Wells.

Clerk: Thank you, Governor. There were 25 contracts under the $50,000 threshold approved by the Clerk between August 24 and September 19, 2016. This item is informational only and there were no requests for additional information by any of the Members.

Governor: I have no questions. Any questions from Board Members?

Attorney General: No Governor.

Secretary of State: No.

11. INFORMATION ITEM

A. Governor's Finance Office – Budget Division

Pursuant to NRS Chapter 353, the Governor's Finance Office, Budget Division presents a reconciled fund balance report for the TORT Claim Fund, Statutory Contingency Account, Stale Claims Account, Emergency Account, Disaster Relief Account, IFC Unrestricted Contingency Funds and IFC Restricted Contingency Funds as of September 13, 2016.

TORT Claim Fund	$ 5,711,601.83
Statutory Contingency Account	$ 1,047,899.65

Stale Claims Account	$ 1,983,723.00
Emergency Account	$ 279,841.00
Disaster Relief Account	$ 6,726,139.00
IFC Unrestricted Contingency Fund General Fund	$12,227,461.96
IFC Unrestricted Contingency Highway Fund	$ 1,676,832.35
IFC Restricted Contingency Fund General Fund	$ 0.00
IFC Restricted Contingency Highway Fund	$ 1,601,832.00

Governor: Let's move to agenda item number 11, Governor's Finance Office, Budget Division, Mr. Wells.

Clerk: Thank you, Governor. There is one information report this morning, showing the balances of the various contingency accounts that are managed either by the Board of Examiners or the Interim Finance Committee as of September 13, 2016. I would be happy to answer any questions the Board may have on this item.

Secretary of State: I have a question.

Governor: Mr. Wells, if you could just give us a sense and place, are we in good shape or, how are we doing?

Clerk: Thank you, Governor. Yes, I believe we are in very good shape with these accounts. I think that we are probably ahead of where I would've expected to be at this time of the second year of the biennium. The IFC Contingency Fund that you see there, you can only request dollars out of that contingency fund through December. After that, they go through supplemental requests to the 2017 Legislature. That fund is in really good shape. All the other accounts appear at this time to be in very good financial shape.

Governor: Thank you. Any questions from Board Members?

Secretary of State: Yes, the only question I had is the one that's IFC restricted, general fund, says zero. If you could just explain that one to me. It's on our agenda as a zero.

Clerk: Certainly, the IFC Restricted Contingency Account is a place where the legislature will park certain items that are restricted so they know there is a request from an agency or could be a request from an agency that is very specific as opposed to a generic, unbudgeted item. The restricted items are specified in statute as to who can access those particular pots of money. The restricted ones this year were for three primary purposes: the senior citizen's property tax assistance rebate program that was approved in the last legislative session; the Aging and Disability Services Division has requested the entire $5,000,000 from that item to run the property tax rebate program for seniors in FY '17. The second was for the start-up process for the University of Nevada, Las Vegas Medical School. That amount was pulled out in two pieces. The first was done in October of 2015. The second in December of 2015. Those were the only three pieces that were included in the restricted amount of the IFC Contingency Fund.

Secretary of State: Can you tell me how much both of those were, the October and the December amounts?

Clerk: The October amount was just under $5.9 million dollars. The December 2015 amount was $1.85 million dollars.

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

Governor: Thank you Madam Secretary. I just thought of one more question. Barring any unforeseen circumstances, do you anticipate any large items coming off any of these amounts?

Clerk: Governor, we are not aware at this point of any items that have been requested, that would be large amounts and make an impact on these accounts.

Governor: All right, thank you. Any other questions?

12. BOARD MEMBERS' COMMENTS/PUBLIC COMMENTS

Governor: Let's move to agenda item number 12 which is Board Member or public comment. Any Board Member comments?

Governor: So no public comment in Las Vegas. Any public comment in Northern Nevada? I hear none.

The following written testimony was submitted on behalf of Dr. Felipe Paleracio by Christina Navarro. (Attachment A)

*13. FOR POSSIBLE ACTION – ADJOURNMENT

Governor: Is there a motion to adjourn?

Attorney General: Move to adjourn.

Secretary of State: Second.

Governor: The Attorney General has moved to adjourn. The Secretary of State has seconded the motion. The motion passed unanimously. The meeting was adjourned at 11:18 am. Thank you, ladies and gentlemen.

DRAFT