

Governor Steve Sisolak
Chairman

Susan Brown
Clerk of the Board



Attorney General Aaron D. Ford
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
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<http://budget.nv.gov/Meetings>

MEETING MINUTES

Date and Time: January 15, 2019, 10:00 AM

Location: Old Assembly Chambers of the Capitol Building
101 North Carson Street
Carson City, Nevada 89701

Video Conference Location: Grant Sawyer Building
555 East Washington Avenue, Suite 5100
Las Vegas, Nevada 89101

MEMBERS PRESENT:

Governor Steve Sisolak
Attorney General Aaron Ford
Secretary of State Barbara Cegavske

STAFF PRESENT:

Susan Brown, Clerk of the Board
Greg Ott, Board Counsel, Deputy Attorney General's Office
Dale Ann Luzzi, Board Secretary

OTHERS PRESENT:

Scott Anderson, Chief Deputy, Secretary of State's Office

1. Call to Order / Roll Call

Governor: Good morning. I would like to call today's meeting for January 15, 2019, of the Board of Examiners, to order.

Was this meeting posted in compliance with the Open Meeting Law?

Secretary: Yes, it was.

Governor: Thank you very much.

2. Public Comment (No action may be taken upon a matter raised under public comment period unless the matter itself has been specifically included on an agenda as an action item).

Governor: This is the first time set aside for public comment. Anyone wishing to address the Board, please step forward and identify yourself for the record. Comments will be limited to three minutes, or do we not limit comments here?

Secretary: We do not but can establish that if you'd like.

Governor: Yes, I'd like to establish a policy for limiting comments.

Secretary: Would you like the limitation to be three minutes?

Governor: What do my colleagues think?

Attorney General: Three minutes.

Governor: Is three minutes fine?

Secretary of State: That works for me.

Governor: Three minutes works for everybody.

Secretary: Going forward, we will include that on the Agenda.

Governor: Thank you very much.

Seeing and hearing no one for comment, we will move on to the next item.

3. Approval of the December 4, 2018 Minutes (For possible action)

Governor: Item number 3, *Approval of the December 4, 2018 Minutes*. Secretary Cegavske can make a motion. Attorney General Ford and I were not present at that meeting and we can accept the minutes even though we weren't, Counsel?

Counsel: Yes, you are capable of voting on the motion or seconding the motion despite the fact that you were not in attendance.

Governor: Thank you. Item number 3, is *Approval of the December 4, 2018 Minutes*.

Secretary of State: I move for approval of the December 4, 2018 Minutes.

Attorney General: Second.

Governor: We have a motion on the floor and a second. May the record reflect that Attorney General Ford and I both disclose that we were not present, but we're relying on the accuracy of the minutes. All those in favor? Any opposed? Motion passes. Thank you. Next item.

4. Authorization to Contract with a Current and/or Former State Employee (For possible action)

Department of Taxation

Pursuant to Nevada Revised Statute (NRS) 333.705, subsection 1, the Department requests to contract with a former employee, Danette Kluever, to assist the Department with various duties relating to the management of applications as well as legislative tracking and research. Ms. Kluever will be hired through Master Service Agreement #18404, with Manpower Temporary Services.

Clerk: Item number 4. Good Morning, Governor, Members of the Board. Item 4 includes a request to contract with current and/or former employees pursuant to NRS 333.705, subsection 1. This request is from the Department of Taxation to contract with a former employee to support the management of applications and legislative research and tracking through June 30, 2019. Representatives from the Departments are available to answer any questions you may have.

Governor: Are there any questions from the Board? Seeing none, do I have a motion?

Secretary of State: Move for approval of number 4, authorization to contract with a current and/or former state employee for the Department of Taxation.

Attorney General: Second.

Governor: We have a motion and a second. All in favor, signify by saying aye. Any opposed? Motion passes.

5. Request for Approval to Pay a Claim From the Stale Claims Account (For possible action)

A. Department of Education

Pursuant to NRS 353.097, subsection 4, the Department requests approval to pay \$80,615.89 from the General Fund, Stale Claims Account, for a partial amount of a 2018 request for funds for the Pre-School Development program from Lyon County School District.

B. Nevada Department of Transportation

Pursuant to NRS 353.097, subsection 4, the Department requests approval to pay \$60,871.45 from the Highway Fund, State Claims Account, for a fiscal year 2018 invoice from Clean Harbors Environmental Services, Inc. for Culvert Cleaning Services.

Clerk: Item 5 includes two requests to pay late invoices, pursuant to NRS 353.097, from the State Claims Account. The first request is from the Department of Education to pay \$80,615.89 to the Lyon County School District for the Pre-School Development Program. The request was received by the Department after the cutoff for processing Fiscal Year 2018 transactions. Funds in this program did not balance forward and the Department did revert sufficient funds to cover the costs of this claim. The claim will be paid from the General Fund State Claims Account.

The second request is from the Department of Transportation to pay \$860,871.45 to Clean Harbors Environmental Services, Inc., for culvert cleaning services. This request was received by the Department after the cutoff for processing Fiscal Year 2018 transactions. The Department did revert sufficient funds to cover the costs of this claim. The claim will be paid from the Highway Fund State Claims Account.

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

Governor: Thank you. Counsel, can I take both these items together?

Counsel: You may.

Governor: Do we have any discussion or question on Items 5-A and/or 5-B?

Attorney General: Ready for a motion?

Governor: I'm ready for a motion.

Attorney General: Mr. Chair, I move for approval of the request to pay a claim from the State Claims Accounts for 5-A and 5-B.

Secretary of State: I'll second it.

Governor: We have a motion on the floor and a second on Items 5-A and 5-B. Is there any discussion on that motion? Hearing and seeing none, all in favor signify by saying aye. Any opposed? The motion passes.

6. Request for Approval to Pay a Claim From the School Remediation Trust Fund (For possible action)

Department of Education (4)

Pursuant to NRS 353.097, subsection 4, the Department requests approval to pay \$73,500 from the School Remediation Trust Fund account for a 2018 request for funds for the New Teacher Incentive program from Carson City School District.

Pursuant to NRS 353.097, subsection 4, the Department requests approval to pay \$170,335.77 from the School Remediation Trust Fund account for a 2018 request for funds for the Social Workers in Schools program from Carson City School District.

Pursuant to NRS 353.097, subsection 4, the Department requests approval to pay \$60,784.28 from the School Remediation Trust Fund account for a 2018 request for funds for the English Language Learners - Rural program from Lyon County School District.

Pursuant to NRS 353.097, subsection 4, the Department requests approval to pay \$80,960 from the School Remediation Trust Fund account for a 2018 request for funds for the Social Workers in Schools program from White Pine County School District.

Governor: Item 6 will not be heard today.

7. Request for Approval to Pay a Claim From the Professional Development Program Account (For possible action)

Department of Education (2)

Pursuant to NRS 353.097, subsection 4, the Department requests approval to pay \$185,033.25 from the Professional Development Program account for a 2018 request for funds for the Great Teaching & Leading program from the Board of Regents, University of Nevada, Reno.

Pursuant to NRS 353.097, subsection 4, the Department requests approval to pay \$2,754,231.34 from the Professional Development Program account for a 2018 request for funds for the Regional Professional Development program from Clark County School District.

Governor: Item 7 will not be heard today.

8. Request for a Recommendation of Approval to the Interim Finance Committee (IFC) for an Allocation Amount from the Contingency Account (For possible action)

A. Department of Motor Vehicles (DMV) – Central Services

Pursuant to NRS 353.268, the Division requests an allocation of \$84,000 from the Interim Finance Committee General Fund Contingency Account to cover projected costs related to the passage of Automatic Voter Registration Initiative.

B. Secretary of State

Pursuant to NRS 353.268, the Office requests the Board's recommendation to the Interim Finance Committee for an allocation of \$234,320 from the Interim Finance Committee Contingency Account to implement Ballot Question 5, Automatic Voter Registration initiative.

Governor: Item 8-A will not be heard today; 8-B will be heard.

Clerk: Item 8-B is a request for a positive recommendation to the Interim Finance Committee, pursuant to NRS 353.268. The Interim Finance Contingency Account has an approximate balance of just over \$1 million to cover unanticipated costs for the remainder of the 2017-2019 biennium. If this item is approved the remaining balance of the account will be approximately \$830,000. This request is from the Secretary of State's Office in the amount of \$234,320 to cover projected FY19 costs associated with the passage of the Automatic Voter Registration Initiative. Representatives from the Office are available to answer any questions the Board may have.

Governor: Good morning.

Scott Anderson: Good morning, Governor, Secretary Cegavske, Attorney General Ford. As you are aware, in the November 2018 Election, General Election, Nevada voters approved Question 5, also known as Automatic Voter Registration Initiative. Question 5 requires the Secretary of State and the Department of Motor Vehicles (DMV) to establish a system whereby Voter Registration Information obtained by the DMV is automatically transmitted to the Counties and then updated to the Statewide Voter Registration List.

Question 5 passed without any funding mechanism and our Office does not currently have the personnel or funding to properly scope, research and begin development of this project.

Our request today is for recommendation to the Interim Finance Committee (IFC) for contingency funding, for a project management team to oversee the Secretary of State's implementation of the Automatic Voter Registration Initiative and to coordinate efforts between our office, the DMV and Nevada's 17 Counties. This project team will consist of one project manager and two business process analysts. Secretary Cegavske previously briefed the Interim Finance Committee on this project and of our need. We also worked closely with the Governor's Finance Office to develop the work program that will be presented this month to the IFC.

We appreciate the opportunity to present our request to you today and we remain available to answer any questions you might have.

Governor: Thank you. Secretary Cegavske.

Secretary of State: Thank you, Governor. I think Scott said everything we needed said. What he said was correct. There is no funding and we would really appreciate support of the Board of Examiners on this.

Governor: My understanding is, this is for three full-time positions?

Secretary of State: Yes, one project manager and two business process analysts.

Governor: For one year?

Scott Anderson: Through the end of fiscal year 2019 and we do have it in our budget for the next biennium to continue with these to oversee and manage this process.

Governor: It's in your budget and we'll find out tomorrow night if it's in ours, right? That's the plan moving forward?

Scott Anderson: That is correct.

Governor: I appreciate that, thank you.

I would just like to ask if at some time we could get a timeline as it relates to implementation of the Automatic Voter Registration or if you have it.

Scott Anderson: That will be one of the tasks of this team, to develop the options for which this may be accomplished and those timeframes to be able to do this. Currently, there is not a system out there to do this and development is going to be necessary.

Governor: Perfect, thank you. Are there any questions? Do we have a motion?

Attorney General: Mr. Chair, item 8-B, I move for approval of the Secretary of State's request, and recommendation of approval to the Interim Finance Committee for the presented allocation amount from the Contingency Account.

Governor: We have a motion on the floor, do we have a second?

Secretary of State: I'll second it, and thank you.

Governor: Thank you very much. Is there any discussion on the motion? Seeing none, all in favor, signify by saying aye. Any opposed? The motion passes.

9. Approval of Proposed Leases (For possible action)

Clerk: Agenda item 9, there are seven leases in this agenda item for approval by the Board this morning. No additional information has been requested by the Members.

Governor: Thank you.

I have an item that I'm going to bring up, Counsel, if I could, as it relates to items 9, 10 and 11, altogether – it's not specifically related to one of these items. In future, I would like, somewhere on these forms, to have a disclosure, of whether there is a relationship between anyone in the entity, and any officer of the State, within the second or third degree of consanguinity, so that I'll know these are all arm's-length transactions. Can you come up with a question for placement on these?

Counsel: Certainly. I can work with staff and develop a question that meets that request.

Governor: Then, I would also like a disclosure as to whether or not they are Nevada companies or are they out-of-state companies, and how many employees companies have in the State of Nevada, so that they're not just post office boxes.

Counsel: Yes, noted.

Governor: Good, thank you very much.

Also, they will be subject to the new Executive Order and I would like a checkmark on these that they are submitting their sexual harassment and discrimination policy with their proposals.

Counsel: Along with the proposal?

Governor: Correct.

Now, item number 9, new leases. Do we have any specific questions on any of these? Do we have a motion as it relates to item 9, proposed leases?

Attorney General: Move for approval.

Secretary of State: Second.

Governor: We have a motion on the floor and a second. Is there any discussion on that motion? Hearing and seeing none, all in favor signify by saying aye. Any opposed? The motion passes.

10. Approval of Proposed Contracts (For possible action)

Clerk: There are 24 contracts in agenda item 10 for approval by the Board this morning. No additional information has been requested by Members.

Governor: Okay, we have a disclosure.

Secretary of State: Thank you, Governor.

I just wanted it to be noted for *BOE Contract #1*, which is the Secretary of State, I am disclosing the fact that I currently serve as a Member of the Opportunity Village ARC Board of Directors and in that capacity, I have no involvement with the contract process, nor the preferred vendor status, of Opportunity Village and I plan on voting on this item because it does not affect me any differently than any other person.

Counsel: Based on the disclosure, you're permitted to vote, under NRS 281A.

Secretary of State: Thank you.

Governor: Counsel, I have a disclosure as it relates to Contract #20999, *The Ferraro Group*. One of the principals or employees of The Ferraro Group is a friend of mine who was a volunteer on my campaign, but he was not compensated.

Counsel: No direct compensation to you and it would not impair your ability to act impartially on this item.

Governor: Thank you very much.

Do I have a motion?

Attorney General: Move approval.

Secretary of State: Second.

Governor: We have a motion on the floor and a second. Any discussion on that motion? Please cast your votes. All in favor signify by saying aye. Any opposed? The motion passes.

11. Approval of Proposed Master Service Agreements (For possible action)

Clerk: There are 14 master service agreements in agenda item 11 for approval by the Board this morning. Item #8 has been requested to be withdrawn.

Governor: Any discussion on this item? Is there a motion?

Attorney General: Move approval.

Secretary of State: I second.

Governor: We have a motion and a second. Any discussion on that motion? Seeing and hearing none, all in favor signify by saying aye. Any opposed? The motion passes.

12. Information Item – Clerk of the Board Contracts

Pursuant to NRS 333.700, 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 November 10, 2018 through December 17, 2018.

Clerk: There were 39 contracts under the \$50,000 threshold approved by the Clerk between November 10, 2018 and December 17, 2018. This item is informational only. No additional information has been requested by the Members.

Governor: I have a question as it relates to the threshold of \$50,000 – are these cumulative, is it a cumulative threshold?

Clerk: Yes.

Governor: Thank you.

Governor: Are there questions on item number 12?

Secretary of State: No.

Governor: Seeing none, moving on. That's an information item.

13. Public Comment No action may be taken upon a matter raised under public comment period unless the matter itself has been specifically included on an agenda as an action item.)

Governor: Item number 13, *Public Comment*. This is the second time set aside for anyone wishing to address the Board. Anyone wishing to address the Board, please step forward to identify yourself for the record. Seeing and hearing none, we will close item number 13.

14. Adjournment (For possible action)

Governor: Do I have a motion to adjourn?

Attorney General: So moved.

Secretary of State: Second.

Governor: We have a motion and a second, any discussion? All in favor signify by saying aye. We are adjourned. Thank you very much for being here.